

0002 80150097

cc: Paul

TAS 2913

RECEIVED

MAR 11 2009

3/9/2009

DIV. OF OIL, GAS & MINING

Dear Paul;

I have mailed to you, for your information a complete copy of the BLM mining plan that I have just submitted to them. You are getting it about as soon as they are. I am curious about the status of my UDOGM Revised NOI. I first filed it last April, 2008 it is now almost a year since then. After our onsite meeting in October, 2008 I expected to receive some feedback on what was discussed. Can I take it that UDOGM has given me approval on my Request for Variance on the top soil issue?

Last month, I mailed you what I considered to be an accurate description of that meeting and in the same letter posted a couple of changes to the Revised NOI based on that description. One item that I failed to address in that letter was a change in the incline situation. MSHA wants me to have a second exit from the mine for emergencies and to please them I had proposed to make an incline parallel to the existing incline. However when we were at the onsite meeting you said and I agreed that we should make the dry wash area off limits to mining operations in order to leave it in an undisturbed condition. To comply with that I have had to eliminate 125 feet off of the West side of the mine site area. Doing that has made it impossible to construct the parallel incline as I had planned. So I have had to eliminate it from the BLM mining plan, MSHA and of course from my UDOGM Revised NOI. This is my notice to you of that change.

The elimination of the planned parallel incline doesn't change the NOI that much. The plan is still the same. I will enter the mine through the existing #8 (Dinosaur) incline and all of the waste rock that I bring to the surface will be put on the existing #5 Waste dump to later be used to backfill the incline.

Ted Thompson

Thank You,
Ted Thompson
Carnotite LLC
775 E. Claybourne Ave.
Salt Lake City, Utah 84106
1-801-486-8345
carnotitelc@yahoo.com

0002

Mining Plan For The Carnotite West Mine

4.3.2.1 OPERATOR INFORMATION:

COMPANY:
CARNOTITE LLC
carnotitellc@yahoo.com
FED MINE ID #42-02493
EIN #26-1815108
TED THOMPSON
775 E. CLAYBOURNE AVE.
SALT LAKE CITY, UT 84106
801-486-8345

CARNOTITE WEST MINE LOCATION:
SPOTTED WOLF CANYON QUAD
8 BALL #3 UMC #375542
NE1/4 SEC 28 T21S R14E SLB&M
FROM GREEN RIVER, UT TRAVEL
WEST 14 MILES ON I-70 TO EXIT #147
NORTH 2 1/2 MILES ON EM1029
WEST 1/2 MILE ON DIRT ROAD TO
MINE SITE

4.3.2.2 DESCRIPTION OF OPERATIONS:

The Mine;

The mine incline and portal of the historic #8 (Dinosaur) involved is a pre-existing Uranium mine located in the San Rafael mining district, Emery County, Utah. When mining operations begin, the mine will be known as the CARNOTITE WEST mine (see photograph plate #1). The existing incline, all past mining surface disturbances and all of Carnotite LLCs' proposed mining activities are on our 8 Ball #3 mining claim (see diagram #1 - Carnotite West Mine Site Plan in the Map Requirements) (photograph plate #2 is the key to diagram #1). The proposed mine site is a rectangle 265' X 300' with a 100' X 50' spur on the North. This computes to 84,500sq ft which is an area of slightly less than 2 acres. Underground mining will be on four mining claims; 8 Ball #1 UMC #375542, 8 Ball #2 UMC #375543, 8 Ball #3 UMC #375544 and 8 Ball #4 UMC #375545. These mining claims are located in the NE1/4 & SE1/4 SEC 28 and NW1/4 & SE1/4 SEC27 T21S R14E SLB&M. The entire 2 acre area of our proposed mine site has been heavily covered with layers and piles of waste rock from past Uranium mining activities. All of these existing waste rock areas from past mining with the exception of the #4 waste rock dump are contained within the proposed 2 acre mine site. Carnotite LLC in compliance with BLM mandated UUD policy will keep all of our mining surface impact confined to areas of past disturbance, thus creating no unnecessary or undue degradation of the mine site. At the end of our mining operations all of the existing surface disturbances will be reclaimed by Carnotite LLC. To access the mine site travel from Green River, Utah, 14 miles West on I-70, then 2 1/2 miles North on the county road EM1029 and then 1,500 feet West to the #8 mine on a dirt road. There is a 4' high white PVC claim marker 300' north of the turnout to the mine. This mining area is known locally as Four Corners and has been mined extensively for Uranium and Vanadium for over 100 years. The Uranium ore is found in the Salt Wash member of the Morrison formation.

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Surface Facilities;

For access to the Carnotite West mine site, Carnotite LLC will utilize the exiting Emery county road EM1029. Emery County has issued a Conditional Use Permit #200837 to Carnotite LLC for the use of these roads. EM1029 and the branch roads to the mine site are existing Emery County roads and Emery County officials have indicated that they must remain open after mining activities have ended and therefore will not need to be reclaimed. Surface disturbances from Carnotite West mining operations will be confined to two acres surrounding the #8 incline that have been affected by past mining activities. All surface facilities are temporary and no foundations or other permanent fixtures will be made. The tires will remain on the trailers for the life of the project.

Surface facilities as described below are shown on diagram #1 (mine site plan).

1. There is an office area near the SE part of the mine site, for two small trailers. One is for a mine office and the other will be for the miner's change room. These are both camping type trailers that are easily towed by pickup trucks.
2. Waste gray water from the trailers will be collected in a 1000 gallon tank mounted on a small trailer near the office trailer and taken to Green River to be disposed of into the city sewer system. This has been discussed with Green River City officials at a city council meeting.
3. Two 1000 gallon culinary water tanks also mounted on trailers, with an associated pipe line to supply the office and change room trailers. These water tanks are located in the NE corner of the mine site.
4. An area 20 feet X 50 feet in size for a 1,000 gallon diesel fuel tank. The fuel tank will have a seamless fabric lined containment basin constructed under it.
5. An electrical generator and an air compressor are next to the fuel tank.
6. A 36" diameter fan for underground ventilation located near the incline.
7. A shipping area 100 feet by 200 feet west of the mine portal to be used for temporary storage and loading of the Uranium ore.
8. The explosive magazine is to the NW of the portal surrounded by berms and accessed by the existing road. The magazine is out of sight from the EM1029 road.
9. An area in the NE corner of the mine site and including the mine incline will be for a permanent waste rock dump. There are currently existing waste dumps located there, which will be expanded by our mining operations.
10. Two portable toilets will be near the office trailer. The toilets will be rented and maintained by local companies.

Map Requirments;

Attached are 5 maps, 6 diagrams and 2 photograph plates;

Map #1 – USGS Spotted Wolf Canyon quad showing the location of the mine site.

Map #2 – The existing underground mine shown with black lines, future mining excavations shown in red lines.

Map #3 – The primary access roads leading to the Carnotite West mine are shown.

Map #4 – The turnoff to the Carnotite West mine site from EM1029 is shown.

Map #5 – The total watershed of the dry wash above the Carnotite West mine site.

Diagram #1 – The CARNOTITE WEST MINE SITE PLAN.

Diagram #2 – The Site Plan dimensions and elevations.

Diagram #3 – The radiation survey of the mine site.

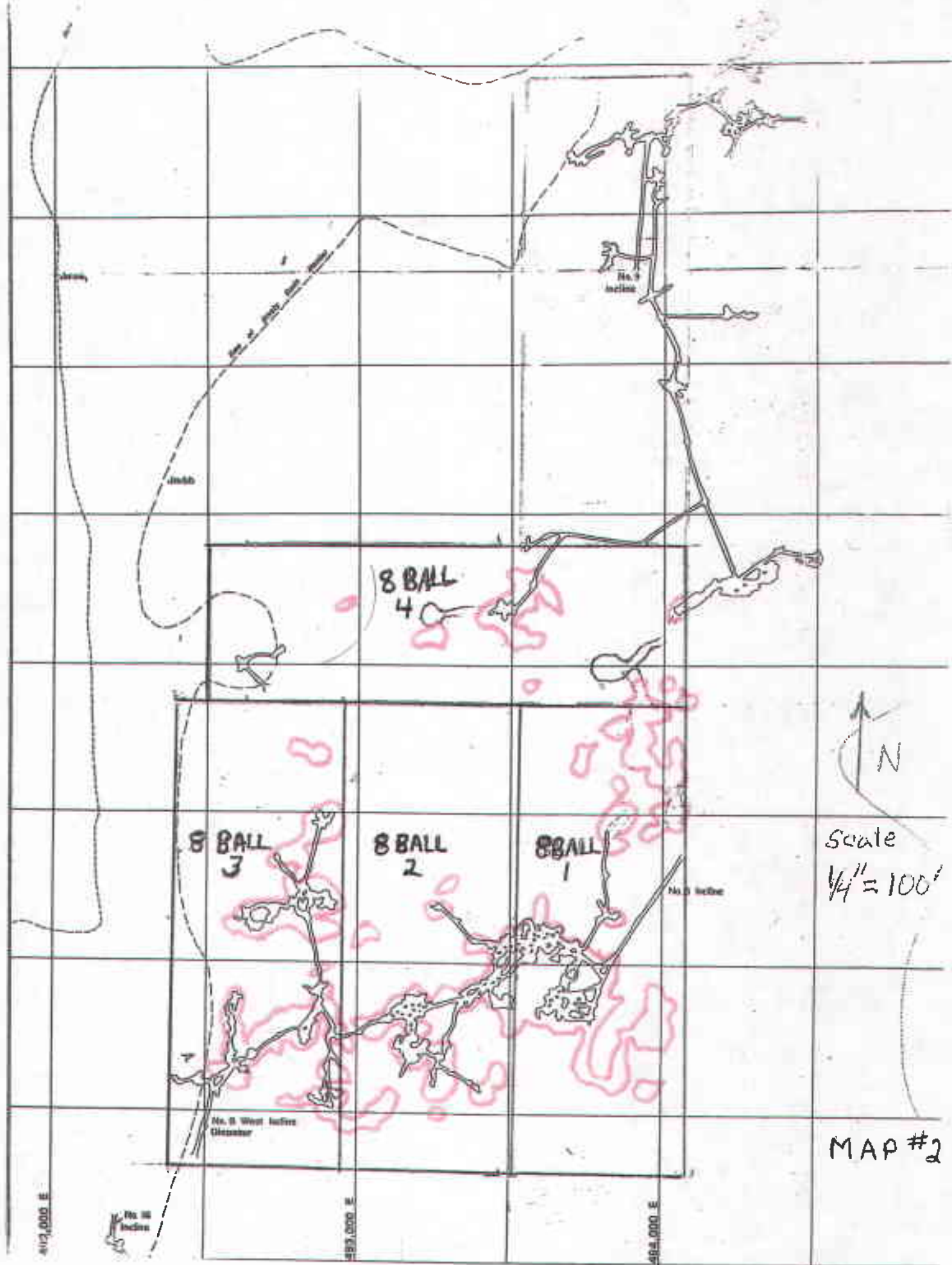
Diagram #4 – The slope of the mine site after reclamation.

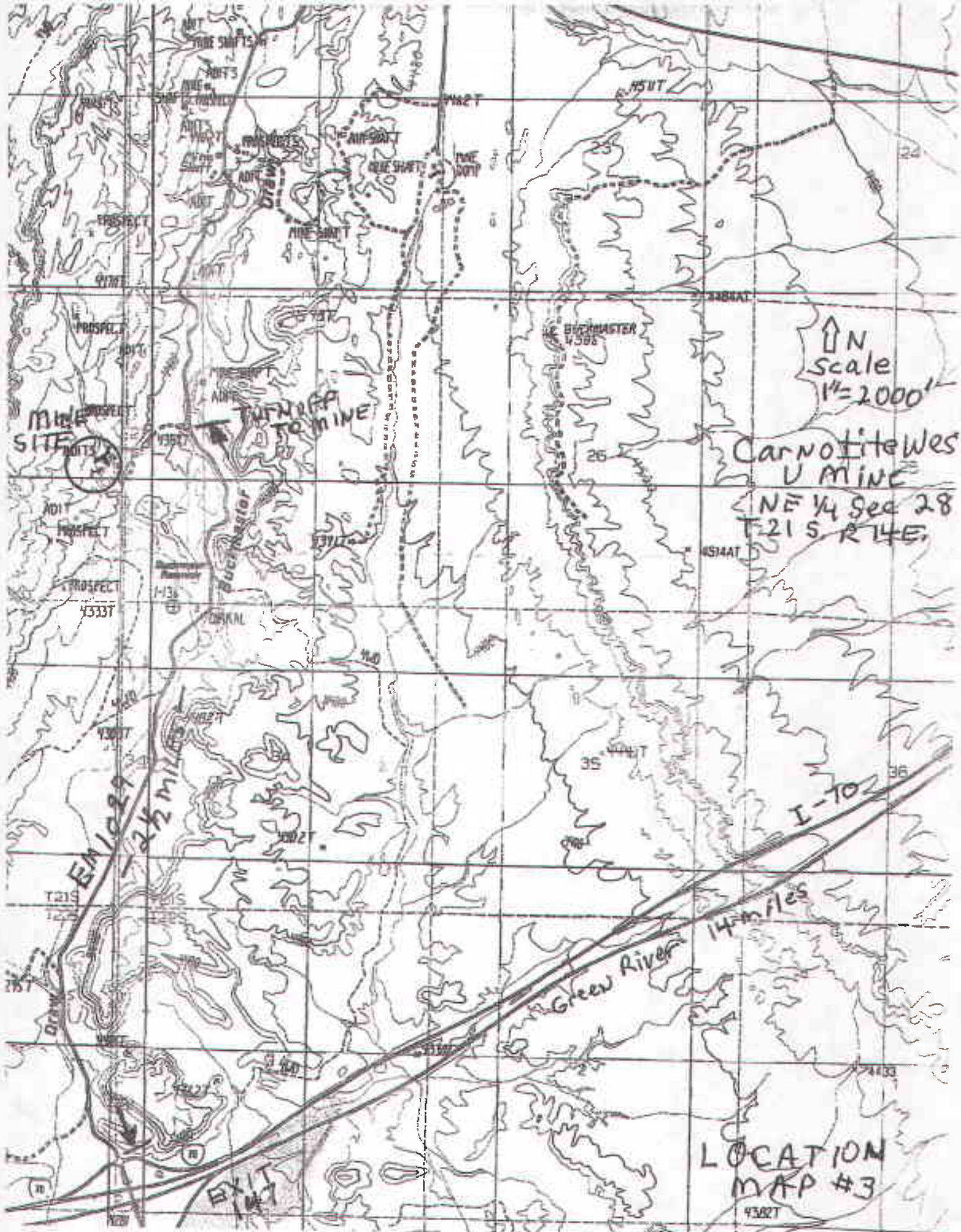
Diagram #5 – The primary access route to the mine site.

Diagram #6 – The primary route to the Dennison White Mesa Uranium Mill.

Photograph plate #1 – The CARNOTITE WEST mine site in Buckhorn Draw

Photograph plate #2 – The key to Diagram #1 – photos #4, #5, #6 and #7





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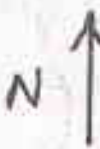
ADIT

X
PROSPECT

UTAH STATE OFFICE
RECEIVED
ACCOUNTS UNIT
2005 APR 27 PM 3:51
DEPT OF INTERIOR
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ADIT

8 BALL
4



Scale
 $3/8" = 100'$

MINE SHAFT

ADIT

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PROSPECT

27

8 BALL
3

8 BALL
2

8 BALL
1

TURN OFF
TO MINE SITE

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MINE
SITE

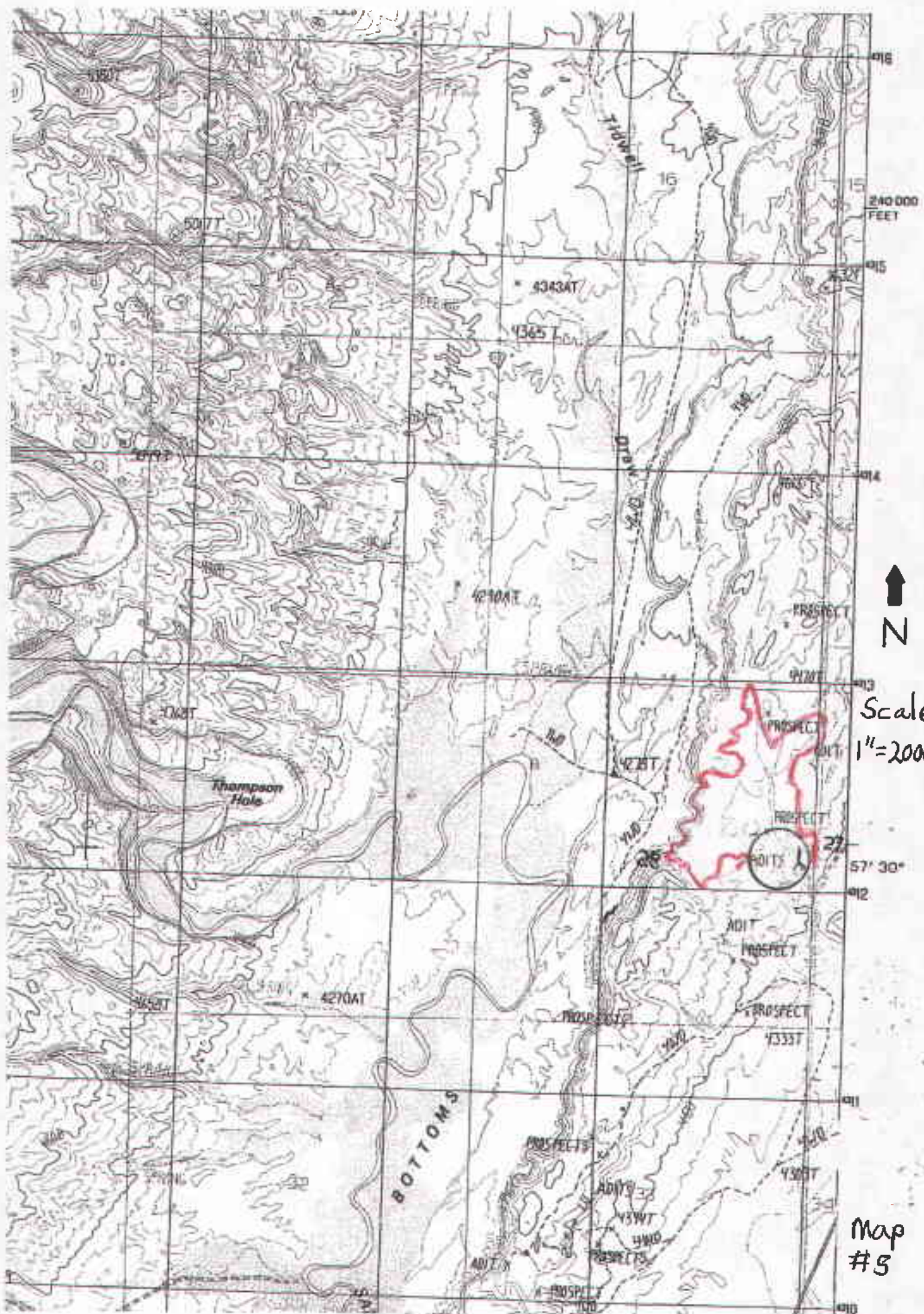
27
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TO I 70 2 1/2 miles

ster

MAP # 4

ADIT














Scale
1"=2000'





Map
#5

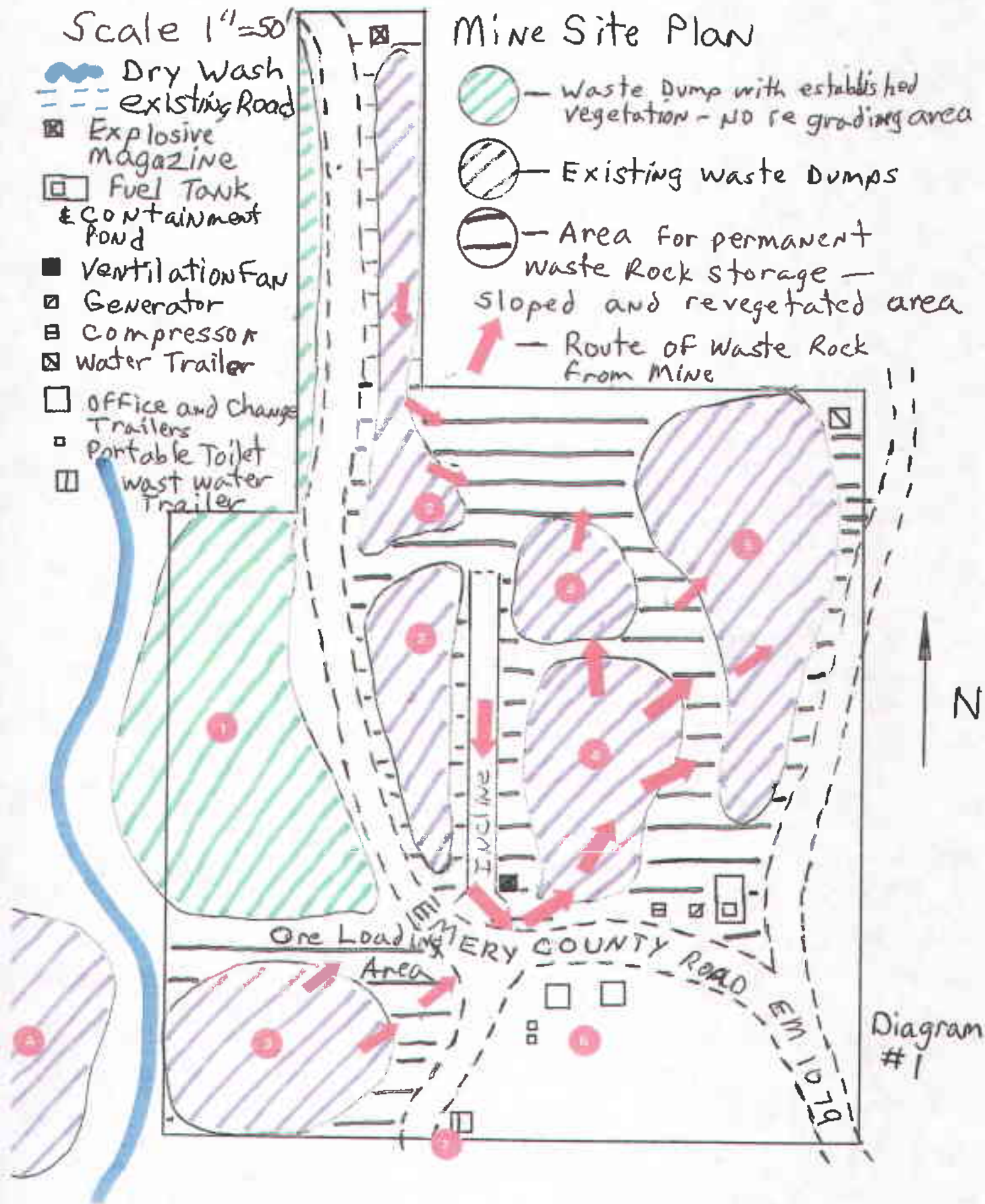
Carnotite West Mine

Scale 1"=50'

Mine Site Plan

-  Dry Wash
-  Existing Road
-  Explosive Magazine
-  Fuel Tank & Containment Pond
-  Ventilation Fan
-  Generator
-  Compressor
-  Water Trailer
-  Office and Change Trailers
-  Portable Toilet
-  Waste water Trailer

-  Waste Dump with established vegetation - no re grading area
-  Existing waste Dumps
-  Area for permanent waste Rock storage - Sloped and revegetated area
-  Route of Waste Rock from Mine



Carnotite West Mine

Uranium ~

Disturbed Area
70,000 sq ft
2 acres

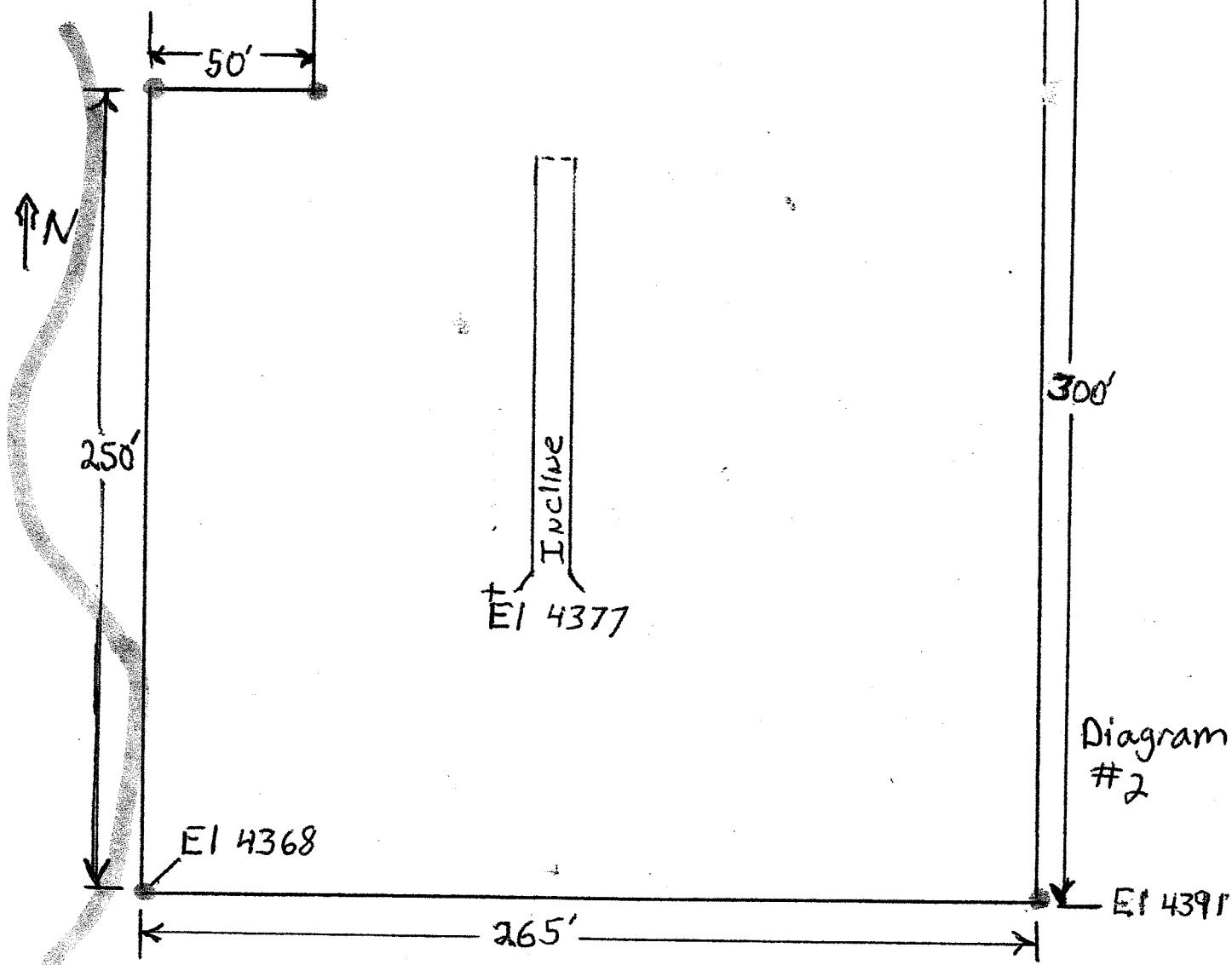
Scale 1" = 50'

● Steel Fence Post

~ Dry Wash

--- Existing Road

Site
Plan
Dimensions



Carnotite West Uranium Mine ~

Radiation
Survey 11-23-08

Disturbed Area
2 acres

Scale 1" = 50'

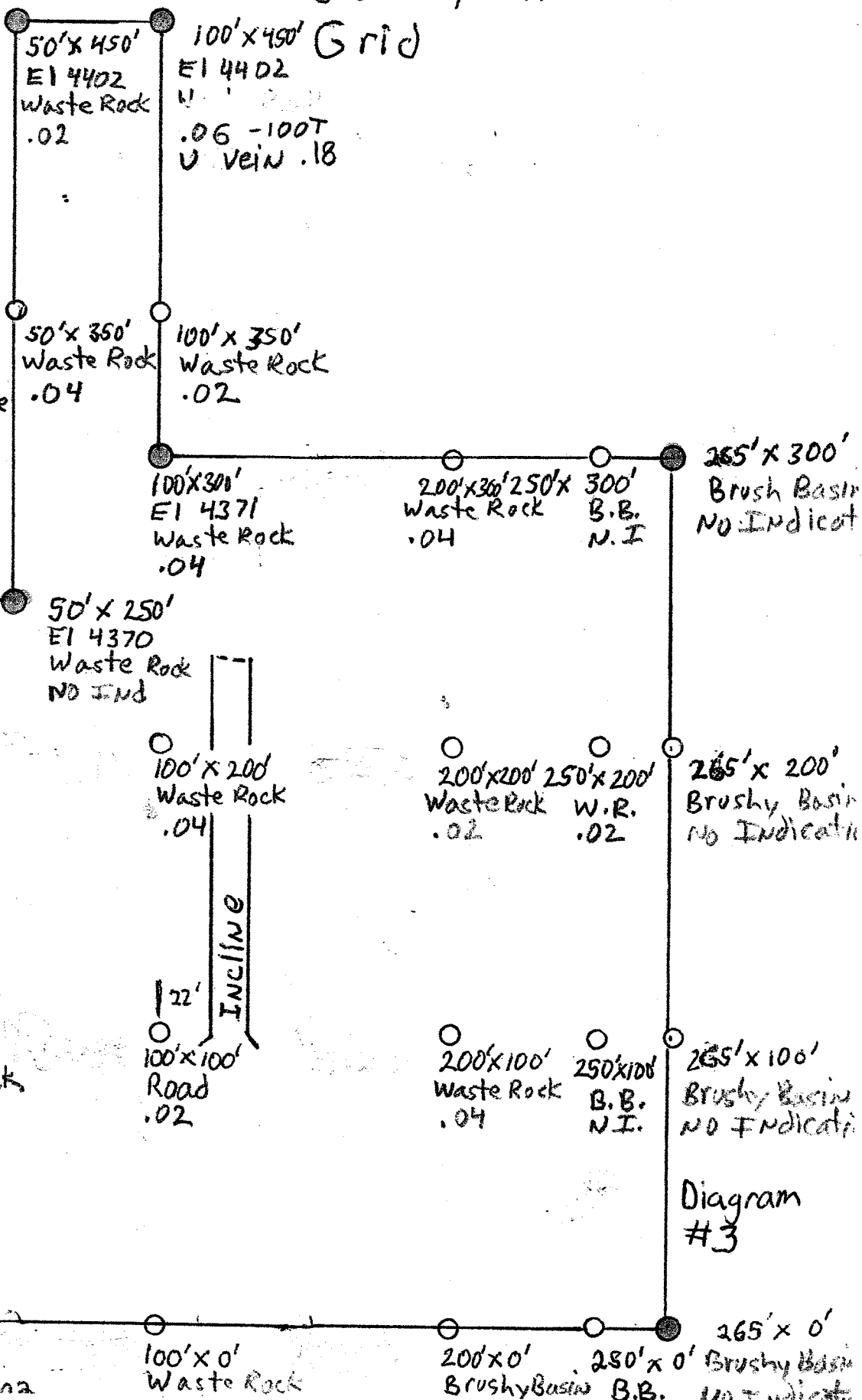
● steel Fence Post

--- Dry Wash

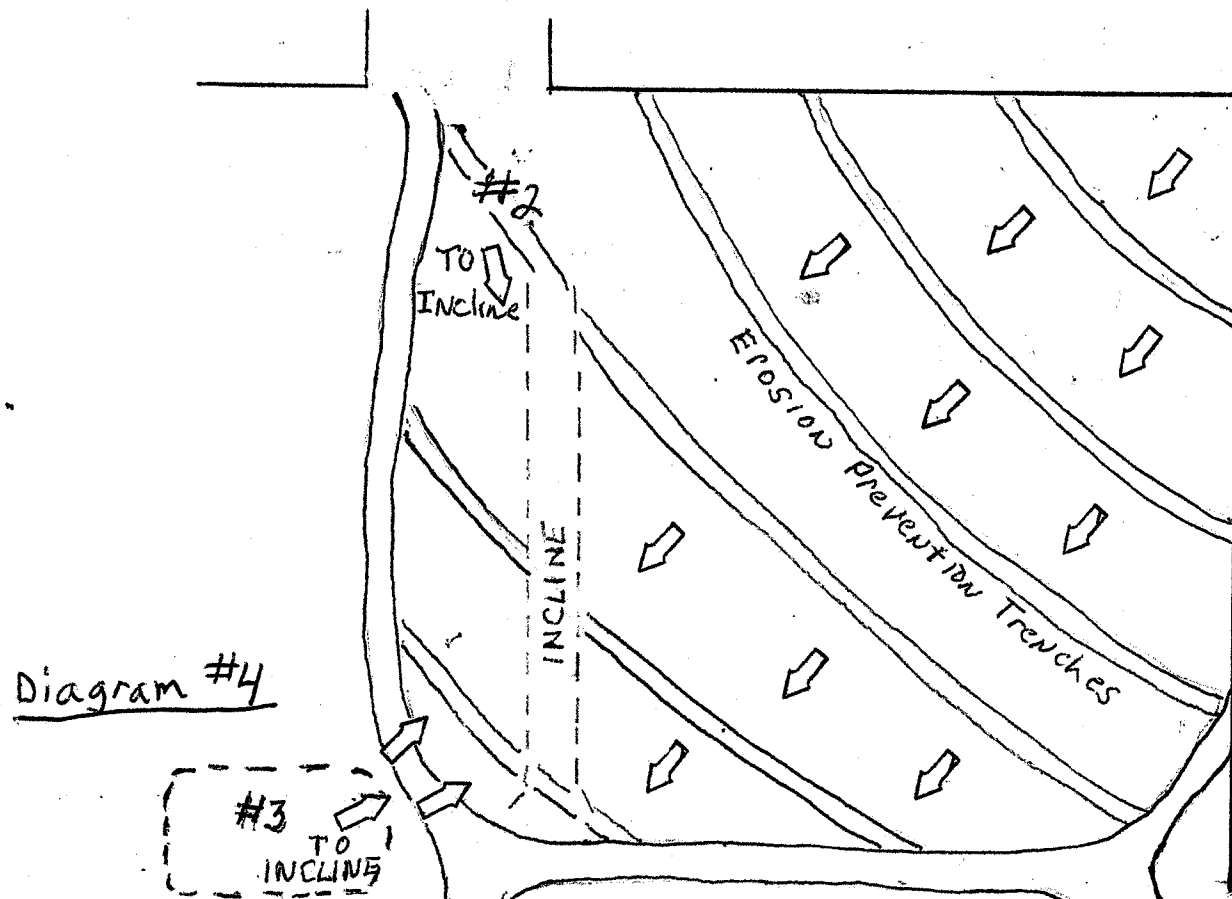
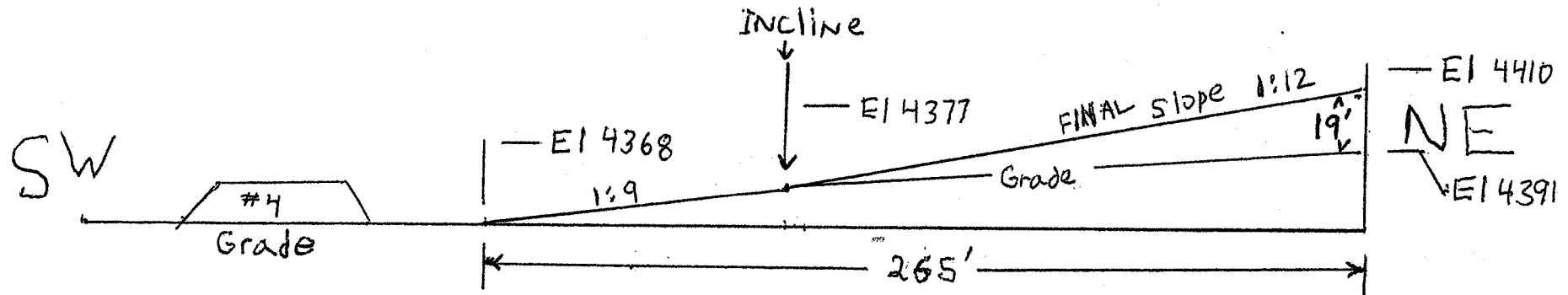
--- Existing Road

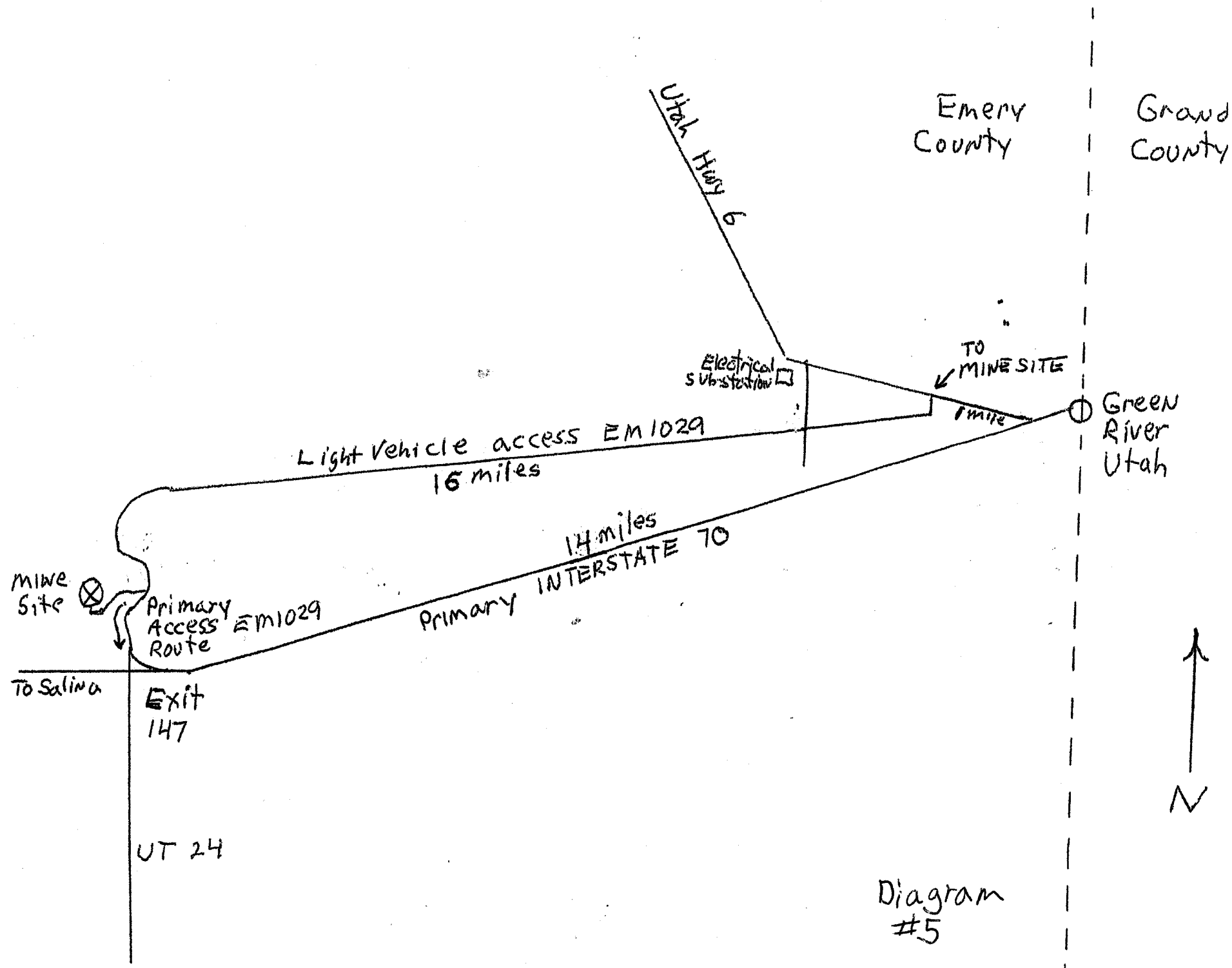
○ Radiation Survey Site

Grid



Carnotite West U Mine Slopes after Reclamation





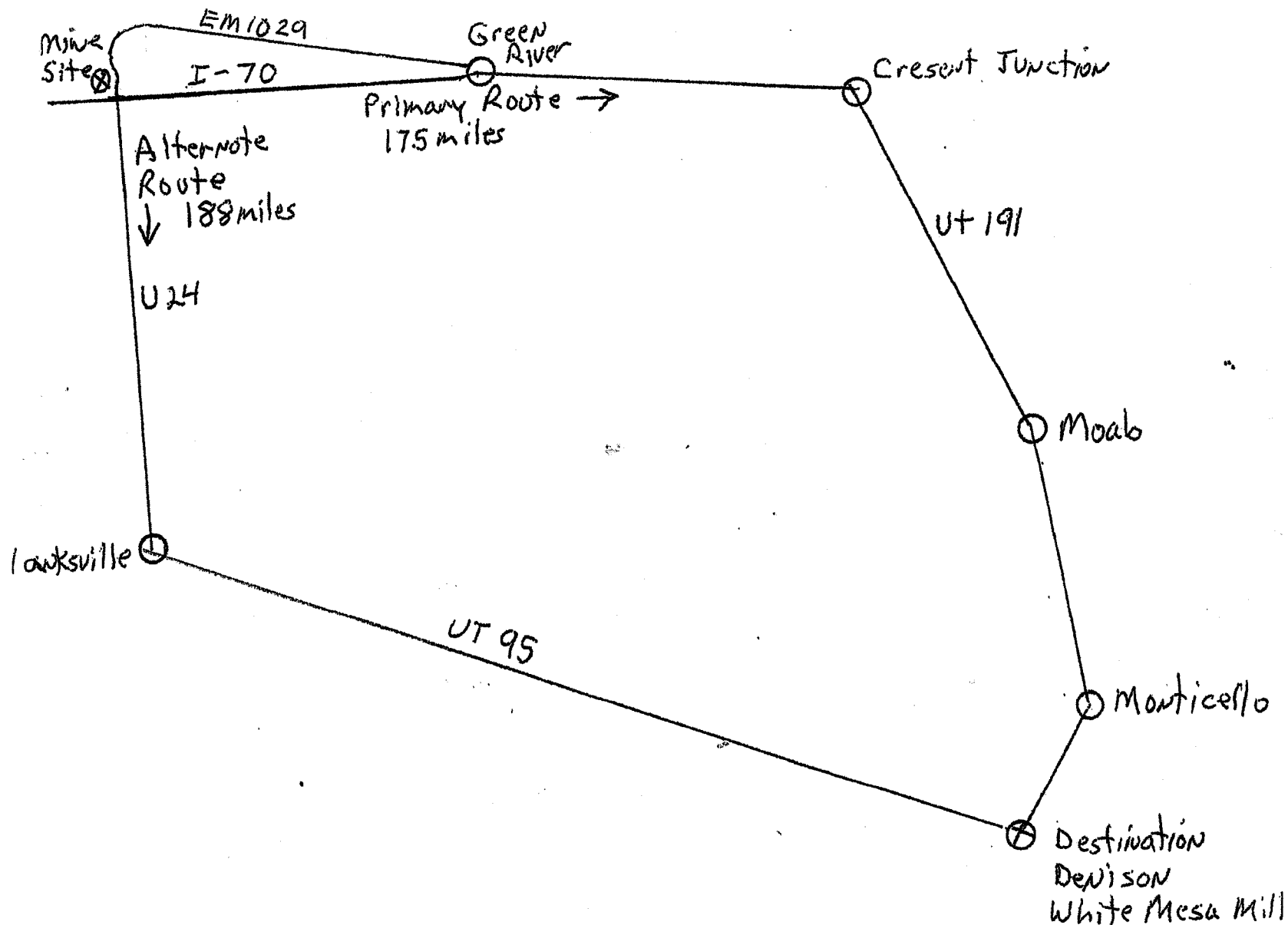


Diagram
#6



CARNOTITE WEST

1.70 - 2.7 MILES

DUMP 1

FOUR CORNERS MINE ROAD

EM1029

ACCESS ROAD

DUMP 2

#1
CLAIM

ADIT
TRENCH

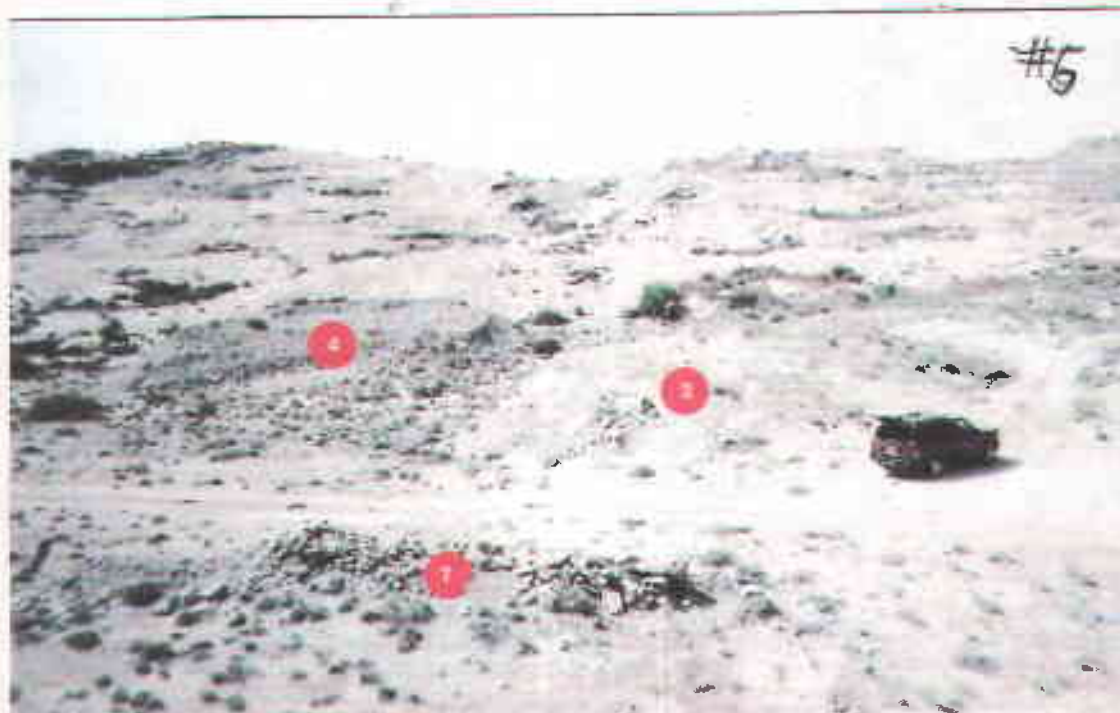
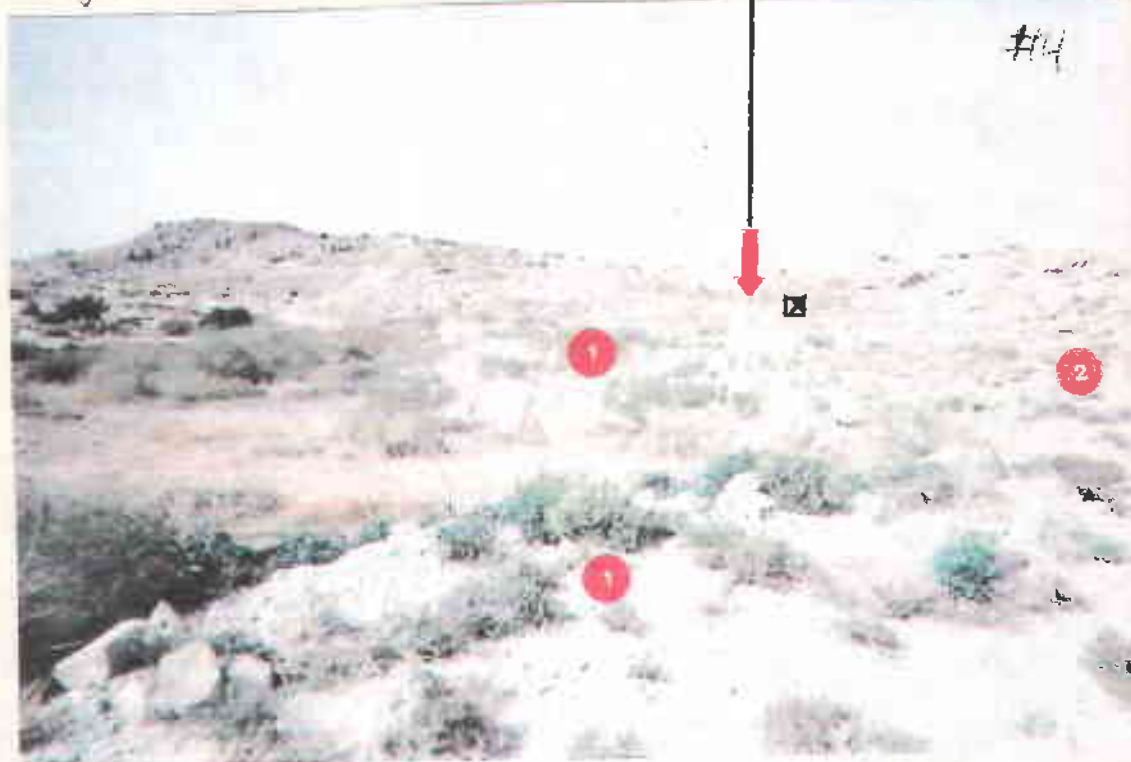
DUMP 3

FROM ADIT TRENCH
TO SHAFT ~ 320 FEET

04/03/2008

Mining Plaw
Photograph Plate #2

EMERY COUNTY ROAD
☒ - EXPLOSIVE MAGAZINE



over



Mining Operations;

Underground Uranium mining will start within a year after all required permits have been obtained. The total area of surface disturbance will be 2 acres. Map #2 shows existing underground excavations in black and proposed future excavations in red. We will work day shift only, Monday through Friday 8am to 5pm. Three miners and one surface employee will be used at the beginning of mining activities. Eventually two other miners and one mechanic may be hired. The existing incline on 8 Ball #3 will be rehabilitated and used for access to the underground mining area. Rehabilitation will include installing six steel sets under the mine portal, extensive rock bolting and application of shotcrete to the sides of the incline. Back control in the mine will be with 6 foot split set rock bolts installed through metal plates and mats installed as needed. When needed for safety, chain link fencing or roof screening may also be installed. Existing underground mine workings will be explored, tested and Uranium ore headings will be developed from them. The mining will be underground mining using the room and pillar method. Uranium ore will be mined by drilling ore headings using air rock drills mounted on jack legs. The drill holes will be loaded with primers, dynamite and ANFO. All detonators will be non-electric millisecond delays. After blasting, the Uranium ore and any waste rock will be mucked out using conventional underground diesel powered, rubber tired front-loaders and hauled to the surface in diesel powered, rubber tired mine trucks. An estimated 25,000 tons of Uranium ore will be mined during a 3 to 5 year period. The ore will be loaded on semi end dump trucks and then transported for sale to the Denison Uranium Mill at White Mesa, Utah. Approximately 20,000 tons of low grade $>0.04\%$ $>0.10\%$ Uranium waste rock will be produced at the same time and permanently stored by back filling it into abandoned underground headings. An estimated 20,000 tons of $<0.04\%$ waste Uranium rock will be hauled to the surface and permanently stored in the designated permanent waste rock dump in the NE corner of the mine site. The Kolberg Aggregate Reference Guide gives a figure of 2.5 tons per cubic yard of broken sandstone. That would make 8,000 cu yds of waste that will be added to the existing waste rock already on the surface in waste rock dumps. That figure may be lowered, if when nearing the end of mining it is found that we have room underground for some of it to be stored there. As the mining progresses and ore headings are completely mined out, they will be backfilled with the low grade ore. Mining equipment and trash will be removed and then they will be sealed with brattice cloth barricades to improve overall ventilation of the mine. Only waste rock will be left on the surface any low grade $>0.04\%$ $<0.10\%$ Uranium ore remaining at the end of mining will be backfilled underground before the permanent closing of the incline. During the radiation survey of the mine site two existing surface areas were found to have low grade Uranium ore present. One area in the North of the property, where we will put our explosives magazine has approximately 30 tons of low grade ore. This we will remove to the ore loading area before we place the explosive magazine. The second area straddles the Southern border of not only the mine site but of our mining claim. It contains approximately 35 tons of low grade ore that will also be removed. It is somewhat complicated as part of the low grade is on another companies mining claim. Arrangements will have to be made with them to authorize Carnotite LLC to remove it.

Mining Operations continued;

Ventilation will be by a 36" electric fan mounted near the incline of the mine powered by the generator. Ventilation will be carried underground into the mine with a 36" vent bag. Additional fans may be installed underground to increase ventilation to the various mine headings. Radon gas levels in all working areas will be monitored weekly in accordance to MSHA regulations. The miner's radon exposure records will be kept in the mine office. It will be Carnotite LLC's company policy that no trash will be allowed to accumulate underground or on the surface of the mine site at any time

Equipment to be used for mining operations;

2 – Small camper trailers	on the surface
1 – Trailer with a 1000 gallon waste water tank	“ “
2 – 1000 gallon water tanks with trailer	“ “
1 – 2yd Track loader	“ “
1 - Compressor	“ “
1 – Generator	“ “
1 – 36" Fan with vent bags	“ “
1 – Explosive magazine	“ “
2 – Portable toilets	“ “
2 – Front loaders	underground
1 - Mine truck	“ “
2 – Rock drills w/jack legs	“ “
1 – 36" Fan with vent bags	“ “

Preliminary or Conceptual Designs and Plans;

The mine site facility won't have any permanent structures built on it. All of our facilities are temporary and will be removed at the end of mining operations. The only permanent feature on the surface will be the addition of 8,000cu yds of waste rock onto the designated #5 waste rock dump to the NE of the mine incline. All of the existing waste rock dumps are shown and numbered on the mine site diagram in the map requirements. The existing #1 waste rock dump on the west side of the incline is basically a thick layer of mine waste rock that forms the east bank of the small dry wash and is the road base for the Emery county road that enters the mine site from the South and leaves it on the NW of the site. Over the years it has become thickly vegetated by brush, shrubs and grass. UDOGM wants the dry wash to remain as it is and not be disturbed by our mining operations. Emery County wants the road to remain open. Therefore waste dump #1 will remain as it is. The existing small and scattered #2 waste rock dumps on the North and West side will be used to backfill the incline during mine site reclamation. Existing #3 waste rock dump will be pushed to the NE to backfill the incline and any excess material will become part of the permanent waste rock dump. Waste rock dump #4 in the bed of the dry wash in the Southwest corner of 8 Ball #3 mining claim will remain as is because of UDOGM's requirement not to disturb the dry wash area (see reclamation plan). The #5 waste rock dumps will become the permanent storage area for all waste rock on the surface of the mine site.

No roads will be constructed, as there are existing access roads to and on the mine site. These roads EM1029 and others are the property of Emery County. Emery County officials have indicated that they want the roads to remain open after the mining operations end. Therefore other than minor repairs, the roads will not be reclaimed. The traffic on this road due to the mining operation will be light. With two or three personal vehicles each day and possibly two supply shipments by light trucks each week. It is estimated that 720 tons of Uranium ore will be hauled to the mill each month. This will require 33 semi truck loads per month. As there are only 22 working days that the mill will accept ore shipments, some days there may be two or three trucks hauling on the 2 1/2 mile dirt road.

Water Management Plans;

Surface water management - Map #5 shows the watershed of the small dry wash to the North and West of mine site. The map shows the very small (1/3rd square mile) drainage area involved. With the minimal amounts of rain that occurs in this desert environment, runoff and erosion from the existing 50 year old waste dumps on the mine site has been minimal. Even waste rock dump#4 located in the middle of the wash shows no sign of having any material runoff into the wash. There is no water drainage from the mine and none will be pumped to the surface. There are no ponds or sources of process water on the mine site. For these and the below reasons the NPDES permit will not be required.

Storm water management - Historical weather data rates the State of Utah as being the second driest state in the USA, receiving less than 10 inches of precipitation annually. The San Rafael Desert area containing the mine site is in the driest area of the second driest State in the Union. The small dry wash that drains the area surrounding the Carnotite West mining area eventually drains into the San Rafael River near I-70 approximately 3 miles away. The dry wash up stream of the mine has a total watershed area of approximately 1/3 of a square mile. During the occasional rain shower, water from this dry wash is absorbed into its sandy bed and rarely reaches the river. Only during the rare thunderstorms do small amounts of runoff occur. The dry wash crosses between waste dump #3 and waste dump #4 Southwest of the mine incline and then immediately off of the mine site. Short of the 1,000 year flood, storm drainage in the area of the mine is minimal. The waste from our mining operations will be stacked directly on the existing mine waste dumps. The existing mine waste dumps have been in place for over 50 years show no sign of erosion or having produced any measurable runoff into the dry wash. The inherent aridity of the area keeps the waste dumps very dry with little moisture content for most of the year. Historically the yearly runoff from rain on the existing waste dumps probably may be measured in the hundreds of gallons. In the midst of a 10 year plus drought and with the Worlds' Climatologists predicting global temperature increases, we anticipate that no surface run off will occur from the waste dumps on the mine site. After the waste rock dumps have been sloped, contoured to the final grade of 1:12 and vegetation has been established, the runoff should be negligible.. We plan only on making the waste rock dump slopes as shallow as possible and contoured to contain what little moisture does fall from the skies to prevent any runoff from them.

Depth of the mine - At present survey information does not show elevations in the underground workings and the mine must be rehabilitated and ventilated before any such underground surveys could be done safely. The mine however is shallow and the deepest elevations of the ore zones are probably about 125 feet below the surface grade. I have been underground several times and the mine is dry and dusty in all areas that I have visited. The BLM came up with a ground water depth of 250', but that figure may be off by a hundred feet. When Atlas Minerals Corp mined the Buck Master Draw area mines in the 1970's and 80's, I worked for them as a miner and shift supervisor and in all of the extensive underground workings, no ground water was ever encountered. At no time was any water pumped to the surface and indeed no pumping systems were ever put in place. This was true then, and I expect it to be the case at present. The only mines in the area that had significant water were the shaft mines a mile to the east and at depths of 600'.

Rock Characterization and Handling Plan;

Concentration of Uranium ore - Uranium ore is mined and marketed at the mill by a percentage factor as determined by the radiation emitted and detected by Geiger counters. The Uranium ore grade that will be shipped from the Carnotite West mine will be 0.15%+. The Utah Geological Survey "Bulletin 113" reports the historic production grade of Uranium ore to be 0.25%. A recent Geiger counter radiation survey (Diagram #3) of the existing waste rock dumps at the mine site showed an average grade of <0.03%. That means that the content of the waste dumps is 0.03% Uranium and 0.97% Quartz sandstone rock or clay, which are both inert and not acid forming minerals. The Utah Geological Survey "Bulletin 113" (pages #58 and #121 attached) states that the Sand Wash member of the Morrison formation also contains high concentrations of Calcite and Gypsum both of which are strongly basic minerals and will act to neutralize any acids that may form in the waste rock dumps. Uranium itself is a basic material and will not form acid with water. This is predicted to be the same for waste rock generated by Carnotite West mine production. The primary Uranium minerals mined as ore in the San Rafael mining district are Pitchblende, Carnotite, Urandite and Vanadium. Other radioactive products, such as minor Thorium and Radium occurrences, are closely associated with the Uranium and will be shipped with the ore to the mill for refining.

Quality Assurance Plans;

Compaction - I have stated the Mining Plan, that our mining operations will be limited in scope compared to many other mining operations. The surface disturbances are going to be intentionally kept at a minimum. At this time there is no plan to construct any buildings or facilities requiring foundations. When back filling the incline, compaction will be accomplished by track rolling each two foot lift of fill material with a track loader.

Seam testing - The only pond on the premises will be a spill containment pond under our 1,000 gallon fuel tank. The pond will be 20' X 50' which is large enough to contain 150% of the fuel in the tank. It will be built with a Bentonite clay base and that covered with a one piece fuel resistant pond liner with no seams to be tested.

Spill Contingency Plan;

Chemical and Hazardous Substances - Explosive products used in the mining operations will be stored and disposed of according to BATF and MSHA regulations. The only other chemicals or hazardous substances that will be used at this mine site are diesel fuel and petroleum lubricants. As noted in the Quality Assurance Plan a 150% lined containment pond for potential diesel fuel leaks is to be constructed. Should a leak occur the company that supplies the fuel will be called for assisting in removing the leaked fuel. In the event that spilled fuel escapes the containment pond, the Utah State DOT will be notified so that clean up can be done to their standards. The phone number of the DOT will be kept in our office trailer and top side personnel instructed to contact them immediately in case of a spill. Other petroleum products are contained in small cans or barrels and spills can be easily contained and cleaned up by shop workers. Arrangements with the ECDC landfill in East Carbon, Utah have been made to accept any contaminated soil.

- grades into claystone. Limestone, light gray, dense; forms a rubble cover over lower part of unit. 16.2
10. Sandstone, white, weathering light brown to white, fine- to medium-fine-grained; composed of subangular clear quartz with common red and pink and uncommon black accessory minerals; channeling, festoon cross-laminated. Unit contains a few disseminated white clay pebbles and forms a very lenticular ledge, thinning to a few platy beds within 50 ft. along the outcrop. 5.3
11. Claystone and minor siltstone. Claystone, silty, grayish red purple and light greenish gray (SGY 8/1), fine hackly to earthy weathering. Siltstone, predominately light greenish gray (SGY 8/1). One thin bed of light gray rough weathering dense limestone less than 3 inch thick in middle of unit 10.1
12. Sandstone, white (N9), weathering light brown to yellowish gray, medium-fine-grained; Composed of subangular clear quartz with common red, orange, pink, and black accessory minerals; cross-laminated, channeling; contains thin conglomeratic lenses containing subrounded white and pink quartz and white, tan, and gray chert granules at base 16.0
13. Claystone, limestone, and very minor conglomeratic sandstone. Claystone, light greenish gray (SGY 8/1) and minor grayish red purple, silty, shaly to earthy weathering. Limestone, very light gray, dense; occurs as irregular nodules in claystone. Sandstone, same as unit above; forms a 1 in. unit about 1 ft. below top 13.6
- Total thickness Salt Wash Member 243.2

Summerville Formation:

Gypsum and minor claystone. Gypsum, white to pale pink, coarsely crystalline; forms massive ledge with prominent 1 ft. red and green claystone parting 3 ft. from base and minor irregular thin partings and blebs of claystone throughout the unit. Top 2 ft. of unit contains white to very light-gray chert in irregular nodules and bands. Chert nodules have granular incrustations of red chert on surfaces. 16.8

Measured section of the Salt Wash Member of the Morrison Formation, SE NE SW section 28, T. 21 S., R. 14 E., March 13, 1975.

Morrison Formation, Brushy Basin Member: Thickness in feet

1. Sandstone, gray, fine-grained and silty, thick-bedded and cross-bedded, forms resistant surface 4.3
2. Covered slope, underlain by silty sandstone, weathering gray to tan, bedding indistinct 7.5

Morrison Formation, Salt Wash Member:

1. Sandstone, light gray green, speckled with hematite, medium-grained, coarser-grained sandstone and pebble conglomerate along cross-laminae, massive, calcareous, ridge-former (IV) 31.5
2. Sandstone, light tan, fine-grained, friable, thin-bedded, calcareous, slope-former 15.9
3. Siltstone, gray green and maroon, under talus slope 34.1
4. Sandstone, red brown and gray green, fine-grained, friable, thin-bedded and cross-bedded, calcareous, semi-resistant 2.1
5. Siltstone, gray to gray green, sandy, slope-former. 5.9
6. Sandstone, gray, fine- to medium-grained, friable, massive and cross-bedded, weathers irregularly, forms resistant caprock (III). 41.6
7. Siltstone, maroon and gray green interbedded with sandstone, gray green, silty, fine-grained, thin-bedded, calcareous; unit is slope-former. 6.6
8. Sandstone, gray green, fine-grained, calcareous with inclusions of green claystone. 2.6
9. Siltstone, gray green and maroon, slope-former 5.3
10. Sandstone, gray, fine- to medium-grained, massive and cross-bedded, calcareous, forms resistant ledge. (II) 16.5
11. Covered slope, underlain with siltstone, maroon and gray green 8.6
12. Sandstone, light gray, fine-grained, poorly sorted with some medium-grained lenses, massive and cross-bedded, calcareous, forms ledge (I). 4.6
13. Siltstone, gray, green and dark gray, interbedded. 11.8
14. Sandstone, gray, fine-grained, slightly gypsiferous, lenticular, forms slight ledge. 4.6
15. Siltstone, gray green and red brown, sandy, slope-former. 5.3

Total Thickness Salt Wash Member 197.0

Summerville Formation:

Gypsum, massive with chert.

Measured section of the Salt Wash Member of the Morrison Formation, SE section 32 and SW section 33, T. 21 S., R. 14 E., February 26, 1975.

Morrison Formation, Brushy Basin Member:

Mostly eroded from top of cliff, probably siltstone.

Morrison Formation, Salt Wash Member: Thickness in feet

1. Sandstone, light gray weathering brown, fine- to medium-grained, coarse-grained along cross-beds including pebble conglomerate, massive, non-calcareous, forms prominent cliff. (VII). 51.5

8-1a: Sandstone, light gray, fine- to medium-grained, speckles of limonite, occasional gritty cross-beds, some cross-beds have abundant carbonaceous material, occasional sticks and twigs project into the cleaner sand from below, friable, lower 1 foot sampled. (0.008% U_3O_8)

8-1b: Sandstone, argillaceous, contains sticks and branches and clay galls, tyuyamunite, corvusite, limonite, in a lens 10 feet long and 2 to 3 inches thick. (2.028% eU_3O_8)

8-1c: Sandstone, dark gray to black, fine-grained, thin streaks of coaly material, about 1/2 inch thick at base of channel some 3 or 4 inches beneath 1b, black uranium minerals appear to cement sand grains. (1.040% eU_3O_8)

8-2a: Pebble conglomerate, large clay galls, grades upward into coarse and gritty sandstone, shows no carbonaceous material, forms the back and upper part of pillars, scours into 2b below, not sampled.

8-2b: Sandstone, gray and gray tan, fine-grained, faintly laminated along crossbeds, occasional specks of carbonaceous material, has a few gritty lenses, 6 to 8 feet thick, scours into 2d below, upper 6 feet sampled. (0.005% eU_3O_8)

8-2c: Mineralized zone at base of 2b, irregular bodies surrounding a log or clay gill scattered throughout the sandstone in lower 1 to 2 feet, often mineralization extends for more than 1 foot from the body and is strongest near the edges of the body, mineralization is commonly zoned, edges of body are stained with tyuyamunite and corvusite, the next zone out is a dull yellow layer of jarosite or limonite the outer edge of which may or may not show a thin line of tyuyamunite, fractures extending from these bodies are coated with tyuyamunite or uranyl sulfates, on the outside is a zone of light limonitization, the mineralization extends laterally for greater distances along the bedding than upward across the bedding, mineralized bodies make up 20 percent of the lower 1 to 2 feet of the channel which were sampled. (0.31% eU_3O_8)

8-2d: Sandstone, tan, fine-grained, cross-bedded, not sampled.

8-3a: Sandstone, light gray, fine- to medium-grained, minute limonite specks, some grit in lenses increasing in quantity toward base, massive, clean, friable, grades into 3b below, lower 1 foot sampled. (0.052% eU_3O_8)

8-3b: Sandstone, argillaceous, abundant carbonaceous material, streaks of coaly material, pyrite, clay which extend upward into 3a up to 5 feet, tyuyamunite, limonite, black uranium and vanadium minerals, mineralized streaks range from 2 inches to 2.5 feet in thickness and are very irregular, sampled 10 inch streak. (0.898% eU_3O_8)

8-3c: Sandstone, medium-gray, medium-grained, argillaceous, about 15 inches thick, scoured into by 3b above, upper contact somewhat mineralized with secondary yellow efflorescences, entire unit sampled. (0.232% eU_3O_8)

8-4: Log in pebble conglomerate making up the back of the mine. (5.328% U_3O_8)

8-5a: Claystone with clay pebbles, fills scour into 5b below, scour is two feet wide and 1.5 feet deep, covered with scattered minute specks of bright yellow uranium minerals, some scintillate, outside of the deep scour there appears to be no mineralization, strongest mineralization on southeast side of scour, northwest side weakly mineralized, 1 foot vertically sampled one-third of the way in from the southeast side. (2.782% eU_3O_8)

8-5b: Sandstone, medium gray and light gray, laminae of fine carbonaceous material, clay galls, some with limonite and jarosite halos, some clayey pyrite nodules, 1 to 3 feet thick, mineralized zones up to 2 inch thick, 2-inch zone sampled. (1.113% eU_3O_8)

8-5a: Sandstone, very light gray, fine- to medium-grained, with

grit and pebbles along cross-beds, clean and friable, lower 1 foot sampled. (0.014% U_3O_8)

8-6b: Sandstone, brown, fine-grained, abundant carbonaceous material, 6a grades into 6b, mineralized and 4 inches thick, ore zone is lenticular and discontinuous. (1.338% eU_3O_8)

8-6c: Sandstone, tan, gray in places, cross-bed set, hard, lightly stained with limonite, very fine carbonaceous material, appears to be slightly mineralized. (0.002% eU_3O_8)

8-7: Gravelly ore zone 2 feet thick at base of channel, above is sandstone, very light tan, fine- to medium-grained that grades into ore zone, ore zone contains clay galls, twigs, branches, is limonite stained, several halos of yellow uranyl sulfates, beneath is sandstone, fine-grained with scattered grit with occasional thin layers (1 inch) of mineralization surrounding clay galls, carbonaceous material and other debris, ore zone sampled. (0.749% eU_3O_8)

8-8a: Sandstone, tan, fine- to medium-grained, some grit lenses, clean except for occasional clay galls or pockets of carbon trash surrounded by a thin limonite halo, 2 feet sampled. (0.151% eU_3O_8)

8-8b: Sandstone, tan-brown, medium-grained to gritty, contains clay pebbles and several streaks of carbonaceous material, ore zone up to 1 foot thick, 6 inches sampled. (0.917% eU_3O_8)

8-8c: Sandstone, fine- to medium-grained, sugary, friable, has occasional limonite surrounded bodies containing pyrite or twigs, generally clean and unmineralized, 2 feet thick. (0.099% eU_3O_8)

8-8d: Sandstone, brown with black streaks on fresh surfaces, medium-grained to gritty, 8c scours into 8d, ore zone 0 to 15 inches thick, much carbonaceous material and clay galls surrounded by limonite halos, 8d scours into 8e, 8 inches sampled. (2.130% eU_3O_8)

8-8e: Sandstone, light gray, medium-grained to gritty with streaks of clay pebbles, massive and relatively clean, sugary and friable, upper 1 foot sampled. (0.149% eU_3O_8)

8-9: Sandstone, brown black, contains streaks of coaly material, green uranium minerals, 0 to 1 foot in thickness, ore zone, 4 inches sampled. (3.191% eU_3O_8)

8-10: Sandstone, gray, fine- to medium-grained, hard, grades into lens of ore at base of channel 0 to 2 feet thick and 4 feet long, limonite increases toward base of channel, uranyl sulfates, streaks of black uranium and vanadium minerals in ore zone, gritty and pebbly at base, 6 inches sampled. (1.678% eU_3O_8)

Miscellaneous mines

Sahara mine (Sa):

Sa-1a: Sandstone, fine- to medium-grained, contains streaks of clay along bedding, contains an occasional siliceous log, reasonably clean, upper 1 foot sampled. (0.00% eU_3O_8)

Sa-1b: Sandstone, medium-gray, fine-grained, argillaceous, lenticular 0 to 2 feet, no visible carbonaceous material, beneath 1a, 1 foot sampled. (0.005% U_3O_8)

Sa-1c: Sandstone, light gray, fine- to medium-grained, clay on crossbeds, some thin carbonaceous streaks, clay blebs, upper 1 foot sampled. (0.00% eU_3O_8)

Sa-2: Sampling interval of 20 inches, begins at base of argilla-

Schedule of Operations;

Start up and Closure Schedules – The start up date for mining operations is difficult to predict as many things, including the approval of this plan by the BLM and the current economic meltdown are beyond control of Carnotite LLC. I cannot hire and train miners or begin to install surface facilities until all of the many permits have been approved. My best estimate is that the mining operations will begin within one month to one year after approval of this mining plan. The mine will operate from 8:00am to 4:30pm Monday through Friday. At this time only a day shift is planned. The mining operations will last between 3 and 5 years. The main consideration in the length of mining operations will be the amount of ore encountered once mining begins. When the all of the known sources of ore have been removed, then mining operations will end. The reclamation of the mine site will begin immediately after mining ceases will and take one month to complete. That places the closure at some date between 2013 and 2015.

Support Facility Plans;

All of the equipment to be used in mining operations has been listed in the Description of Operations. Trucks hauling ore will belong to a trucking company and the number, make and model of the ore trucks will not be known until shipping of ore begins. The Dennison White Mesa Uranium Mill has very detailed contracts required of the trucking companies to insure the legal and safe haulage of ore to the mill. The primary access routes to be used by ore haul trucks and any truck delivering materials to the mine have been mapped and detailed in the Map Requirements (Diagrams #5 and #6) enclosed with this document.

Dust control - At this time Emery County's conditional use permit issued to Carnotite LLC does not require dust control and none is planned. There are no residences or businesses anywhere near the mine or the dirt road (EM1029). There are not even any other mines in the area. When full ore production is achieved only 33 ore trucks per month will travel the road. That is one truck a day, although on some days maybe two or three trucks may travel the road. The lack of any people or businesses in this remote area presents no dust related conflicts. The other users of the roads are four wheel drive and ATV recreationist, they create more dust than we will. If the Utah State DOT requires the ore trailers to be tarped, that will be done. Presently for these reasons, it is not our plan to do dust control on this road. Should any government agency later determine that dust control on the road is needed, we will of course comply.

Access Road Permit;

A conditional use permit #200837 from the Emery County Zoning Board for use of EM1029 has been approved..

CARNOTITE WEST URANIUM MINE RECLAMATION COST SUMMARY SHEET

RECLAMATION COST DESCRIPTION:

As the BLM Price Area office is the administrator of the project and Price, Utah is the closest major city in the area, all mobilization and demobilization are calculated from there. Some bids and rentals have been obtained from other places, but it is likely that the same equipment and services are available in Price at comparable prices.

The equipment used in the estimation of cost to reclaim the mine site are as follows;

1. D-8 Cat, the workhorse of heavy construction projects. There is only one mobilization and demobilization for this piece of equipment needed for the reclamation project it has been placed in A. Earthwork / Recontouring: item 1. Roads. The Cat is to be used for backfilling the incline, and sloping of areas #2, #3 and the #5 permanent waste dump and to back drag the 2,200 feet of Emery County roads to the turn off to the mine site. The production data used is from the "Caterpillar Performance Handbook #37, page 1-44. D-8 Cat pushing 250 feet = 350lcu yds per hour. The \$70.05 per hour operating costs includes overhead, fuel and the Cat operators wages. This scale is also from the "Caterpillar Performance Handbook #37" pages 20-42 and 20-43. This cost however is incorrect for Emery County Davis Bacon wages which are \$13.10 per hour not the \$25.00 per hour used in the hand book. The operating cost has therefore been adjusted to \$58.15 per hour.
2. Medium rubber tired tractor with harrow and trailer. There is only one mobilization and demobilization for this item, it has been placed in B. Revegetation / Stabilization: item 6. Dumps. It is a rental item. It will be used to prepare areas #2, #3, #5 and #6 for the application of seeds. The \$195 per day rental price is from Howe Rents in Salt Lake City, Utah.
3. Two F-250 4 wheel drive pickup trucks. To transport employees, fuel, supplies, tools and also to move the trailers off site. The IRS allows \$0.55 per mile I will use \$1.00mi.
4. Semi truck with low boy trailer to mobilize and demobilize the D-8 Caterpillar, \$110.00 per hour, including driver wages and fuel. Cost estimate by S&S Trucking of Green River, Utah. Mobilization, demobilization has also been placed in A. Earthwork / Recontouring: item 1. Roads.

The labor wage rates are from the U.S. Department of Labor web site for heavy construction projects in Emery County, Utah dated 3-14-2008. It lists the Davis Bacon wages for the following occupations;

Laborer	- \$7.65hr + \$1.65hr fringes	= \$ 9.25hr
Dozer Operator		= \$13.10hr
Mason		= \$11.52hr
Truck Driver	- used for pickup truck drivers	= \$ 9.42hr
Backhoe Operator	- used for tractor operator	= \$10.00hr

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DIV. OF OIL, GAS & MINING

RECLAMATION COST DESCRIPTION CONTINUED:

It is estimated that 5 days will be needed to complete all reclamation projects. (hours are broken down in the summary sheets) all mobilization from Price, Utah.

Caterpillar;

2 days to mobilize the Cat. (1 1/2hrs to load and unload + 1 1/2hrs to travel to job=3hrs) backfill incline and to slope all sites.

1 day for Cat to install erosion trench features, back drag 2,200 feet of road and demobilize (3hrs).

Medium Tractor with Harrow;

1 day to mobilize the tractor with harrow (1 1/2hrs to load and unload + 1 1/2hrs to travel to job=3hrs). Prepare all areas for revegetation. Demobilize (3hrs).

Semi Truck with Lowboy Trailer;

1 day to mobilize Cat (1 1/2hrs to load and unload + 1 1/2hrs to job + 1 1/2hrs to return to Price=4 1/2hrs).

1 day to demobilize Cat (1 1/2hrs to job + 1 1/2hrs to load and unload + 1 1/2hrs to return to Price=4 1/2 hrs).

2 - F250 Pickup Trucks;

3 day to mobilize and demobilize (1hr each way =2hrs) adit, sloping and trailer removal.

1 day to mobilize and demobilize (2hrs) removal of trailers and prep. for revegetation.

1 day to mobilize and demobilize (2hrs) for revegetation operations..

RECLAMATION COST ESTIMATION SUMMARY SHEET:

1. ROADS;

D-8 Cat mobilize from Price to Mine Site. 3hrs X \$58.15=.....	\$ 174.45
D-8 Cat pushing dumps and back dragging 2,200 feet of Emery County roads on mine site to turn off from EM1029. 6hrs X \$58.15=.....	\$ 348.90
D-8 Cat demobilize from Mine Site to Price. 3hrs X \$58.15=.....	\$ 174.45
Semi truck with lowboy trailer mobilize from Price to Mine Site and return. 4 1/2hrs X \$110.00=.....	\$ 495.00
Semi truck with lowboy trailer demobilization from Mine Site and return. 4 1/2hrs X \$110.00=.....	\$ 495.00
Pickup truck to transport Cat operator 150mi X \$1.00per mi.....	\$ 150.00
ROADS TOTAL - Labor \$ 0.00 - Equipment \$ 1,837.80 - Materials \$ 0.00	

5. ADITS;

2 Laborers to build rock wall at base of incline. 10hrs X \$9.25=.....	\$ 185.00
Mason to build rock wall at base of incline. 10hrs X \$11.52=.....	\$ 115.20
Truck driver to remove office, change trailers to salvage yard 8hrs X \$9.42....	\$ 75.36
15 - 80lb bags of mortar X \$4.50=.....	\$ 67.50
Rocks.....	\$ 0.00
Gas powered cement mixer rental.....	\$ 75.00
Pickup to transport crew to Mine Site. 150mi X \$1.00=... ..	\$ 150.00
Pickup to transport trailers to salvage yard in Price 2 trips 300mi X \$1.00=.....	\$ 300.00
D-8 Cat to backfill incline 200' X 20' X 20' = 80,000sq ft - divide by 27= 2,963 cu yds. Waste rock material from area #2 - 50cu yds, from area #3 - 1,480cu yds from area #5 - 1433cu yds. D-8 Cat pushing 250 feet moves 350cu yds per hour (see estimated dozing production chart)	
2,963cu yds divide by 350cu yds per hr= 8.5hrs X \$58.15=.....	\$ 465.20
D-8 Car track rolling for compaction 2hrs X \$58.15=.....	\$ 116.30
ADITS TOTAL - Labor \$ 375.56 - Equipment \$ 1,031.50 - Materials \$ 67.50	

7. DUMPS;

D-8 Cat to slope #5 permanent waste storage site 185' X 225' X 3= 124,875sq ft divide by 27= 4,625cu yds divide by 350cu yds per hr= 13.25hrs X \$58.15=...\$		770.49
Pickup to transport site crew. 150mi X \$1.00=.....	\$	150.00
Pickup to transport 2 water trailers to Price salvage yard. 300mi X \$1.10.....	\$	300.00
Truck driver to transport trailers. 8hrs X \$9.42=.....	\$	75.36
DUMPS TOTAL - Labor \$ 75.36 - Equipment \$ 1,220.49 - Material \$ 0.00		

TOTALS THIS PAGE;

Labor \$ 450.92 - Equipment \$ 4089.79 - Materials \$ 67.50

RECLAMATION COST SUMMARY CONTINUED:

B. REVEGETATION / STABILIZATION;

3. ADITS;

The adit will be done as part of and at the same time as the #5 area.

6. DUMPS;

After areas #2, #3 and area #5 have been sloped will be prepared by harrowing.

Medium rubber tired tractor with harrow and trailer – 1 days rental.....	\$ 195.00
Pickup truck to transport site crew and tractor trailer. 150mi X \$1.00=.....	\$ 150.00
Pickup truck to transport straw. 150mi X \$1.00=.....	\$ 150.00
Backhoe operator to operate tractor and harrow. 8hrs X \$10.00=.....	\$ 80.00
3 Laborers to apply seeds with manual seed broadcasters, spread straw over the areas to be revegetated and install erosion prevention strips. 3 X \$9.25 X 10hrs.	\$ 277.50
Range land seed.....	\$ 250.00
15 bales of straw. \$5.50 per bale=.....	\$ 82.50
15 bundles of 12" wooden stakes. \$3.50 per bundle=.....	\$ 52.50
10 rolls of fine mesh X \$75.00=.....	\$ 750.00
Erosion prevention strips 8 100' rolls @ \$35.00 per roll.....	\$ 280.00
DUMPS TOTAL Labor \$ 337.00 - Equipment \$ 495.00 - Materials \$1,415.00	

8. STRUCTURE AREA;

The office trailer area is 20' X 80' = 1,600sq ft. the costs are included with the DUMPS.

11. MONITORING;

Day 1 - Construction of rock wall in adit. Removal of the office and change trailers.

1 BLM employee to monitor activities 2hrs travel and 8hrs on site X \$25hr??....	\$ 250.00
Pickup truck 150mi X \$1.00=.....	\$ 150.00
Day 2 – Backfilling of incline and sloping of #2, #3 and #5 Permanent dumps.	
1 BLM employee to monitor activities. 10hrs X \$25.....	\$ 250.00
Pickup truck 150mi X \$1.00=.....	\$ 150.00
Day 3 – Sloping of #5 continues. Removal of 2 water trailers.	
1 BLM employee to monitor activities 10hrs X \$25.00=.....	\$ 250.00
Pickup Truck 150mi X \$1.00=.....	\$ 150.00
Day 4 - Construction of erosion prevention trenches, back dragging of roads	
Harrowing of all areas.	
1 BLM employee to monitor activities 10hrs X \$25.00=.....	\$ 250.00
Pickup truck 150mi X \$1.00=.....	\$ 150.00
Day 5 – Revegetation.	
1 BLM employee to monitor activities 10hrs X \$250.00=.....	\$ 250.00
Pickup truck 150mi X \$1.00=.....	\$ 150.00
MONITORING TOTAL Labor \$ 750.00 - Equipment \$ 770.00 Materials \$ 0.00	

TOTAL THIS PAGE;

Labor \$ 1,087.00 - Equipment \$ 1,245.00 - Materials \$ 1,415.00

RECLAMATION COST SUMMARY CONTINUED:

ATTACHMENTS;

U.S. Department of Labor Davis Bacon wage scale 3 pages.

Caterpillar Performance Handbook #37 - Estimating Dozer Production - page 1-44

Caterpillar Performance Handbook #37 Operating cost estimate – pages 20-42 & 43

RECLAMATION COST SUB TOTALS;

Labor \$ 1,537.92 - Equipment \$ 5,334.79 - Materials \$ 1,482.50

TOTAL RECLAMATION COST;

\$ 8,355.21

H. ADMINISTRATIVE COST;

7. Engineering design and construction 4%.....	\$ 334.20
8. Contingency cost 10%.....	\$ 835.52
9. Insurance premiums 1.5%.....	\$1,253.28
11. Construction profit 10%.....	\$ 835.52
12. Contract administrative cost 10%.....	\$ 835.52
13. BLM indirect cost 21% of \$894.07.....	\$ 39.79
TOTAL ADMINISTRATIVE COST.....	\$4,133.83

TOTAL RECLAMATION COST.....\$8,355.21

TOTAL ADMINISTRATIVE COST.....\$4,133.83

TOTAL RECLAMATION COST..... \$12,489.04

General Decision Number: UT080009 03/14/2008 UT9

Superseded General Decision Number: UT20070009

State: Utah

Construction Type: Heavy

Counties: Beaver, Carbon, Daggett, Emery, Garfield, Grand, Iron, Juab, Kane, Piute, San Juan, Sanpete, Sevier, Uintah and Washington Counties in Utah.

HEAVY CONSTRUCTION PROJECTS

Modification Number	Publication Date
0	02/08/2008
1	03/14/2008

* BOIL0182-002 10/01/2007

	Rates	Fringes
BOILERMAKER.....	\$ 27.86	18.76

* CARP2834-003 10/01/1998

	Rates	Fringes
MILLWRIGHT.....	\$ 20.82	4.28

* IRON0027-006 01/01/2006

	Rates	Fringes
IRONWORKER, STRUCTURAL.....	\$ 21.84	9.92

* SUUT1988-001 03/01/1988

	Rates	Fringes
CARPENTER.....	\$ 10.81	
CEMENT MASON/CONCRETE FINISHER...	\$ 11.52	
ELECTRICIAN.....	\$ 14.52	2.71
IRONWORKER, REINFORCING.....	\$ 11.00	
LABORER (including pipelayers)...	\$ 7.65	1.60
PIPEFITTER.....	\$ 12.60	

Power equipment operators:

Backhoes.....	\$ 10.00
Cranes.....	\$ 10.43
Dozers.....	\$ 13.10
Graders.....	\$ 12.67
Loaders.....	\$ 11.26

Scrapers.....\$ 10.00

Tractors.....\$ 9.42

TRUCK DRIVER.....\$ 9.42

WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

In the listing above, the "SU" designation means that rates listed under the identifier do not reflect collectively bargained wage and fringe benefit rates. Other designations indicate unions whose rates have been determined to be prevailing.

WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

- * an existing published wage determination
- * a survey underlying a wage determination
- * a Wage and Hour Division letter setting forth a position on a wage determination matter
- * a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour Regional Office for the area in which the survey was conducted because those Regional Offices have responsibility for the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations
Wage and Hour Division
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

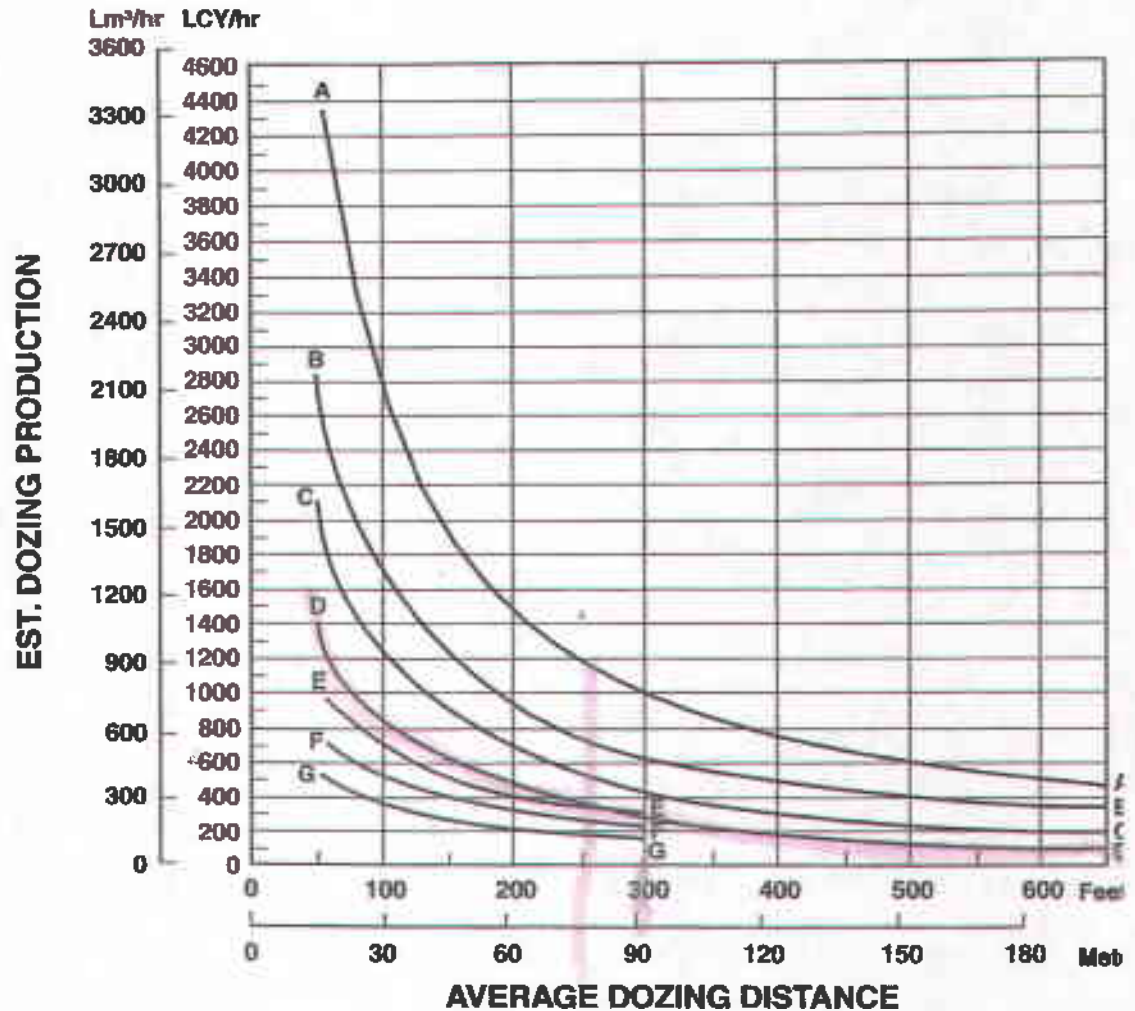
4.) All decisions by the Administrative Review Board are final.

END OF GENERAL DECISION

Bulldozers

Estimating Production Off-The-Job • SU-Blades

ESTIMATED DOZING PRODUCTION • Semi-Universal Blades • D6N through D11R



KEY

- A — D11R-11SU
- B — D10T-10SU
- C — D9R/D9T-9SU
- D — D8R/D8T-8SU
- E — D7R Series II-7SU
- F — D6R Series III-6SU
- G — D6N-6SU

NOTE: This chart is based on numerous field studies made under varying job conditions. Refer to correction factors following these charts.

Owning & Operating Costs

Owning & Operating Examples I & II • Estimating Form

HOURLY OWNING AND OPERATING COST ESTIMATE

DATE _____

	Estimate #1	Estimate #2
A—Machine Designation	Track-type Tractor	Wheel Loader
B—Estimated Ownership Period (Years)	7	5
C—Estimated Usage (Hours/Year)	1200	1500
D—Ownership Usage (Total Hours)(B × C)	8400	7500
OWNING COSTS		
1. a. Delivered Price, to the customer (including attachments)	(1) 135,000 (A)	(2) 70,000
b. Less Tire Replacement Cost if desired	N/A	4000
c. Delivered Price Less Tires	135,000	66,000
2. Less Residual Value at Replacement	(35%) 47,250 (B)	(48%) 31,680
(See subsection 2A on back)		
3. a. Net Value to be recovered through work	87,750 (C)	34,320
(line 1c less line 2)		
b. Cost Per Hour:		
Net Value (1) 87,750 (2) 34,320		
Total Hours 8400 7500		
	10.45 (D)	4.58
4. Interest Costs $\frac{P(N+1) + S(N-1)}{2N} \times \text{Simple Int. \% Rate}$		
N = No. Yrs. Hours/Year		
(1) $\frac{[135,000 (7+1)] + [47,250 (7-1)]}{2 \times 7} \times 0.16$	(2) $\frac{[66,000 (5+1)] + [31,680 (5-1)]}{2 \times 5} \times 0.16$	
1200 Hours/Yr. =	1500 Hours/Yr. =	
		12.99 (E)
5. Insurance $\frac{P(N+1) + S(N-1)}{2N} \times \text{Insurance \% Rate}$		
N = No. Yrs. Hours/Year		
(1) $\frac{[135,000 (7+1)] + [47,250 (7-1)]}{2 \times 7} \times 0.01$	(2) $\frac{[66,000 (5+1)] + [31,680 (5-1)]}{2 \times 5} \times 0.01$	
1200 Hours/Yr. =	1500 Hours/Yr. =	
		0.81 (F)
(Optional method when Insurance cost per year is known)		
Ins. \$ _____ Per Yr. ÷ _____ Hours/Yr. =		

Estimating form continues next page

Owning & Operating Examples I & II • Estimating Form

Owning & Operating Costs

$$\text{Property Tax} = \frac{P(N+1) + S(N-1)}{2N} \times \text{Tax Rate \%}$$

N = No. Yrs. Hours/Year

$$(1) \frac{[135,000 (7+1)] + [47,250 (7-1)]}{2 \times 7} \times 0.01 = (2) \frac{[66,000 (5+1)] + [31,680 (5-1)]}{2 \times 5} \times 0.01$$

1200 Hours/Yr. 1500 Hours/Yr.

(Optional method when Property Tax cost per year is known)

$$\text{Property Tax \$} \div \text{Per Yr.} \div \text{Hours/Yr.} =$$

TOTAL HOURLY OWNING COST

(add lines 3b, 4, 5 and 6)

OPERATING COSTS

Fuel: Unit Price \times Consumption

(1) $\frac{1.25}{1.25} \times \frac{4.50}{2} =$

(2) $\frac{1.25}{1.25} \times \frac{2}{2} =$

Planned Maintenance (PM)-Lube Oils, Filters, Grease, Labor:
(contact your local Caterpillar Dealer)

a. Tires: Replacement Cost \div Life in Hours

Cost (1) N/A (2) 4000

Life 3500

b. Undercarriage

$$(\text{Impact} + \text{Abrasive} + \text{Z Factor}) \times \text{Basic Factor}$$

$$(1) (\frac{0.2}{0.2} + \frac{0.2}{0.2} + \frac{0.3}{0.3}) = \frac{0.7}{0.7} \times \frac{6.6}{6.6} =$$

$$(2) (\frac{\quad}{\quad} + \frac{\quad}{\quad} + \frac{\quad}{\quad}) = \frac{\quad}{\quad} \times \frac{\quad}{\quad} =$$

(Total) (Factor)

Repair Cost (Per Hour)
(contact your local Caterpillar Dealer)

Special Wear Items: Cost \div Life
(See subsection 12A on back)

TOTAL OPERATING COSTS
(add lines 8, 9, 10a (or 10b), 11 and 12)

MACHINE OWNING PLUS OPERATING
(add lines 7 and 13)

OPERATOR'S HOURLY WAGE (include fringes)

TOTAL OWNING AND OPERATING COST

Estimate #1

Estimate #2

0.81 (G)

0.35

25.06 (H)

10.86

5.63 (I)

2.50

2.30 (J)

2.10

(K)

1.14

4.62 (L)

6.12 (M)

3.39

1.32 (N)

0.60

19.99 (O)

9.73

45.05

20.59

25.00 (P)

25.00

70.05 (Q)

45.59

CARNOTITE WEST URANIUM MINE

4.3.2.3 RECLAMATION PLAN:

Reclamation of the affected surface area will be done at the end of mining operations using the mining equipment already on site. The reclamation will consist of four phases;

PHASE 1 - The removal of all underground and surface mining equipment;

1a. The removal from underground the mining equipment and tools. This includes the mine loaders and mine trucks, drilling equipment, ventilation equipment, electrical equipment, air pipes, water pipes and trash. This will be accomplished as the end of the mining operations nears. As each underground mining area is mined out all of the mining equipment in that area will be taken to other areas of the mine for use or removed to the surface. At the end of mining operations all mining equipment, tools, supplies and any accumulated trash will be removed from underground prior to sealing of the incline. The loaders and trucks will be used for surface reclamation projects. Air and water pipes, excess mining tools and supplies will be returned to mining supply dealers or disposed of with any trash at the ECDC landfill in East Carbon, Utah

1b. Removal from the mine site of the office trailer, change room trailer, 2 culinary water tanks and trailers and waste water tank and trailer. Prior to the end of mining these will be offered for sale to the public. Any of these items not sold will taken to local salvage yards for disposal. All of them will be towed off site with pickup trucks.

1c. Removing the rental equipment, these are the generator, compressor, explosives magazine, diesel fuel tank and any other rental items. These will be removed by the rental companies as specified in the rental agreements. The exception will be the 2 portable toilets, one of which will remain on site until the completion of reclamation operations.

PHASE 2 - The permanent closure of the 2 acre mine site;

2a. The removal and disposal of the diesel fuel pond liner. The pond liner and all trash from the underground mine and surface area will be disposed of at the East Carbon Land fill (ECDC). ECDC also will accept any soil contaminated with petroleum products. A contingency plan for the disposal of petroleum contaminated soil and for the monthly disposal of trash from the mine has been filed and accepted by ECDC.

2b. The sealing of, backfilling and compaction of the mine incline. After the removal of all mining equipment and trash from underground, the incline will be permanently sealed underground near the steel sets by stacking large rocks with the layers and voids filled with cement. This will prevent backfill materials from eroding or otherwise slipping back into the mine. Any steel sets extending beyond the portal of the mine will be dismantled and disposed of at a salvage yard. Backfilling of the incline will then proceed by using materials from the #2 and #3 waste rock dumps which will be pushed into the incline in 2 foot lifts. Each lift will be compacted by running the track loader repeatedly over each lift.

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RECLAMATION PLAN CONTINUED;

2c. The consolidation and sloping of all waste rock onto #5 waste rock dump, located in the NE corner of the mine site. As detailed in the mining plan and shown on ("diagram #1 Mine Site Plan"), as waste rock is removed from the mine during mining operations, it will be placed on the existing waste rock dumps #5 for permanent storage.

2d. The preparation of the 2 acre mine site and waste rock dumps for the application of seeding materials. Area #1 will remain as it is, because as has been previously described it forms the east bank of the dry wash and is the road base of the Emery County road, (see photograph #4). After the waste rock from area #2 has been used to backfill the incline, the area will be sloped to the natural contours in that area. Waste rock dump #3 will be removed to backfill the incline, any excess material will be incorporated into waste rock dump #5. The existing waste rock dump #4 is outside of the mine site boundaries and in the bed of the dry wash (see photo #5). At UDOGM's request the dry wash area is to remain as it is and is off limits to mining equipment. We will however use hand tools such as shovels and rakes to prepare it for seeding. The final sloping and contouring of area #5, the permanent waste rock dump will be done after the waste rock material from areas #2, and #3 has been dealt with and all waste rock material is consolidated on it. The sloping will begin on the high side of the dump in the NE corner of the mine site and the material will sloped downhill until it meets the natural grade near the dry wash in the SW corner of the mine site. The slope will not exceed 1:12.

2e. After the final sloping, all areas to be seeded will be prepared by harrowing using a small rental tractor and harrow. After harrowing a series of shallow trenches following natural contours will be made on the #5 permanent waste rock dump to control runoff and erosion. These trenches will be at 60 foot intervals down slope.

2f. Minor road repairs to the Emery County roads, our Conditional Use Permit requires notification of secession of mining activities at which time Emery Counting Zoning Commission will determine what repairs are needed. Due to the unimproved nature of these roads no grading or placement of fill materials is expected to be needed.

PHASE 3 – The seeding of the mine site disturbed area;

3a. A request for variance due to the lack of topsoil on the disturbed area has been submitted with this BLM Reclamation Plan. The same request was filed with our UDOGM Revised Notice of Intent. At the onsite meeting in October this issue was discussed and tentatively approved by UDOGM and BLM representatives.

3b. BLM authorized dry land seeding materials will be spread, by broadcasting the seed on the prepared surface of the mine site. As this is a desert environment and there are no sources of water anywhere near the site, the seeding will take place in the fall so that the seeds can germinate over the winter.

PHASE 4 - Post operational site monitoring;

See section 4.3.2.4

RECLAMATION PLAN CONTINUED:

Drill Hole Plugging 66;

Carnotite West mine operations will not require any surface drilling therefore there will be no drill holes to plug.

Regrading and Reshaping 67;

1a. - As detailed in the Plan of Operations and Reclamation Plan, the existing #5 waste rock in the NE corner of the mine site has been designated as the permanent waste rock dump for all waste rock on the mine site surface. Exceptions to this will be the #1 (photograph #4) and the #4 (photograph #6) waste rock dump sites which will be left as is due to their positions in the dry wash, which UDOGM has required to remain undisturbed by our mining activities. Area #1 will remain as it is, because as has been previously described it forms the east bank of the dry wash and is the road base of the Emery County road. Over the 50 years of its existence area #1 has become voluntarily revegetated. The #4 waste rock dump is located to the West and off of the mine site and right in the middle of the dry wash. Again at the request of UDOGM to not operate mining equipment in the dry wash, the #4 waste rock dump will remain essentially as is and will be sloped and prepared by hand tools.

1b. - The existing #2 waste rock dump area has several scattered piles of waste rock with approximately 50 cu yds of material. The waste rock dump #3 contains approximately 1,480cu yds of waste rock. The existing waste rock dump #5 contains approximately 3,800cu yds of waste rock material. As described in the Operation Plans approximately 8,000cuyds of waste rock will be produced during mining operations and then brought to the surface by Carnotite West. It will take approximately 1,100cu yds of material to backfill the incline. That leaves a total of 12,230cu yds of waste rock materials that will be permanently stored on the surface of the mine site at the end of mining operations. The #5 waste rock dump area is 60yds X 70yds X 4yds which equals 16,800cu yds of space for the permanent storage of mine waste rock material.

1c. - Sloping will begin on the the high side of the #5 dump in the NE corner of the mine site and the material will sloped downhill until it meets the natural grade near the dry wash in the SW corner of the mine site. The slope will not exceed 1:12. After final sloping, we will construct a series of shallow trenches perpendicular to the slope. These trenches will be made to protect the slopes from erosion. They will be constructed at 60 foot intervals down slope from the NE corner.

1d. - All areas to be seeded will be prepared by harrowing using a small rental rubber tired tractor and harrow. After harrowing we will hand dress selected area such as the #4 waste rock dump and the area where the office trailers were parked.

RECLAMATION PLAN CONTINUED:

1e. – Most of the mine waste dumps on the mine site and in other areas of Buckhorn Draw have been in place from 50 to 60 years. Even the ones like the #4 waste dump that is directly in the middle of the dry wash show absolutely no signs of erosion or of having any material runoff into the wash. The slopes of many of the old mine dumps exceed 1:1 and yet they have remained stable and erosion free for many decades, even though they have never received even the slightest of reclamation treatments. The inherent aridity of the San Rafael Desert leaves the waste dumps very dry, with little measurable moisture content. This provides the waste dumps with a prodigious ability to absorb rain and snow runoff water. The stability of a slope prepared as described above and its resistance to erosion guarantee a one hundred year plus erosion free lifetime.

1f. – Equipment used –

1 – 2yd track loader

2 – 1yd skid steer loaders

1 – tractor with harrow attachment (rental)

1 – semi truck with lowboy trailer (to remove mine equipment from mine site)

Closure Plans for Mine Openings;

The incline used by the Carnotite West mining operation will be closed as soon as the Uranium ore has been determined to have been completely mined out. Our best estimate is that it will take three to five years for this to be accomplished. We will begin closure by removing all mining equipment, supplies, tools and trash from underground. A substantial wall made of large rocks cemented in layers will be constructed at the downhill base of the steel sets. This wall will prevent any of the backfill material from eroding or washing down into the abandoned mine workings and will support the material used to backfill the incline. All steel sets not under the portal will be removed and disposed of at a salvage yard. The waste rock material from the #2 area will be placed into the incline in two foot lifts. Each lift will be compacted by track rolling it thoroughly with the 2yd track loader. If additional material is needed to fill the incline it will come from the #3 waste rock dump. Any material left in #3 after filling the incline it will be pushed into the #5 permanent waste rock dump. All of the waste rock in the #5 area will then be sloped downhill from the NE corner of the mine site toward where the backfilled incline had been. The fill material shall further cover the site of the incline and then will meet the natural surface grade in the SW corner of the mine site.

RECLAMATION PLAN CONTINUED:

Riparian Area Mitigation Plans 69;

There are no riparian areas on this mine site. There is however one dry wash, which because of its very small drainage area (1/3sq mile) is barely discernable at the mine site. As the photograph #4 shows, the bed of this wash is heavily vegetated demonstrating how little run off occurs on the mine site area. This dry wash runs off of our mine site between waste dumps #3 and #4. It then joins a small wash in Buck Master Draw. From there it enters the San Rafael River near exit 147 on I-70. Proposed mining activities will not impact this dry wash in any way. Because we will not impact it with our operations, no mitigation is needed.

Wildlife Habitat Rehabilitation Plans 70;

Our mining operations will not significantly alter wildlife habitats. Because of the small 2 acre size of the proposed disturbed area and the fact that the area is almost completely covered with waste rock from previous mining activities. The only wildlife observed in the area are a few scattered birds, small lizards and about a trillion gnats. Of course it is possible that other species might occasionally pass through the area. However the mine site is not the kind of place animals seek out to live in. We will improve wildlife habitat on the mine site by seeding the disturbed area, which may provide feed that has not existed before.

Soil Handling Plans 71;

As has been stated repeatedly in the Plan of Operations and the Reclamation Plan there is no topsoil on the proposed disturbed area. Except for the parts of the area that are existing Emery County roads, the entire 2 acre site is covered with solid sandstone, shale, clay and waste rock from previous mining activities. A variance has been applied for to seed directly on the sloped and prepared waste dumps. Uranium is present on and near the mine site as naturally occurring mineral outcrops exceeding 0.20%. It is also present in minute quantities in the waste rock piles that presently cover the entire area of the mine. It will not be possible to isolate or eliminate the natural Uranium outcrops. Nor does Carnotite LLC have the responsibility to do so. The waste rock that is produced by the Carnotite West mine will have < 0.04 Uranium content and 99.94% Quartz rock and clay, it will be contained in the #5 permanent waste rock dump after site reclamation has been completed.

RECLAMATION PLAN CONTINUED:

Revegetation Plans 72;

1a. - Except for area #1 which has become voluntarily vegetated and the Emery County road system that trisects the mine site, the entire 2 acre area will receive application of seeds. The Type of seed used will be specified by the BLM, but should be dry land varieties capable of germinating without the application of water, which like topsoil does not exist on or near the mine site.

1b. - As previously stated in the sloping plan, the #5 permanent waste dump will be graded to a 1:12 slope. Prior to seeding, it will be prepared using a harrow pulled by a tractor. After harrowing the contour trenches on the slope will have round erosion preventing strips installed to further prevent erosion.

1c. - Then the BLM approved seeds will be applied using a manual seed broadcaster.

1d. - After revegetation of the mine site has been completed the rented portable toilet will be removed.

1e. - The criteria for a successful revegetation would of course be the germination and growth of vegetation on the mine site. The selection of seed types by the BLM should include some grass and shrub varieties that do well in desert environments. The object should be to replicate the type and variety of vegetation found in the areas surrounding the mine site which has been shown to have sparse to nonexistent vegetative coverage.

Plans To Isolate or Control Acid, Toxic or Deleterious Materials 73;

1a. - There are no acid forming materials on the mine site, as was shown in the rock characterization section of the Mining Operation section. The presence of substantial amounts of Calcite and Gypsum, both strongly basic minerals will neutralize any acids that might be present in the waste rock material.

1b. - Uranium is present on the mine site and in the entire San Rafael mining district as naturally occurring mineral outcrops exceeding 0.20%, as vast underground masses and is present in minute quantities <0.04% in the existing waste rock dumps. It will not be possible to isolate or eliminate the natural Uranium out crops, and ore bodies nor does Carnotite LLC's have the responsibility to do so. The waste rock that is produced by the Carnotite West mine will have a 0.04% Uranium content and 94.94% Quartz rock, Clay, Calcite and Gypsum. It will be consolidated and then isolated and contained in the #5 permanent waste dump. The plan to control the Uranium in the waste rock dumps used by Carnotite LLC is to grade the waste dumps to 1:12 slope and then seeding them to minimize erosion. There is no way to neutralize Uranium other than the passage of time.

Plans to Remove or Stabilize Buildings 74;

There will be no permanent buildings, structures or support facilities utilized by Carnotite West during mining operations, to remove. The two small office trailers will be moved back to civilization, towed by pickup trucks. All mining equipment will be moved to other mine sites or sold. All of the rental equipment will be removed by the rental companies, as per rental agreement.

Post Closure Management Plans;

Utah is rated as the second driest state in the continental USA. National Weather Service data shows that the San Rafael desert is one of the driest parts of Utah with less than 5 inches of rainfall per year. The heat of the desert climate and lack of moisture guarantees that the waste dumps left in a reclaimed condition on the mine will have very low moisture content and a very long undisturbed existence. The ability of these waste rock dumps to absorb moisture and to resist erosion can be seen all over the Buck Master Draw area. Many waste rock dumps that have been in place in Buck Master Draw for 60 years exhibit no or at most minimal run off induced erosion. After the compaction of operating mining equipment on the dumps, the coarse rocky content of the material in the dump and the planting of vegetation on them, very little erosion can be expected to occur for a 60 to 100 plus year period. There is no evidence that the existing waste dumps on the mine site which have been in place for 50 years have eroded into the natural drainage in the area. The natural aridity of the San Rafael Desert area, the heat, the quartz rock, Calcite and Gypsum content and the vegetation cover of these dumps will all contribute to minimize the erosion of these waste rock dumps. After the incline has been permanently sealed as described in the Closure of Mine Openings section and the #5 permanent waste dump has been sloped and seeded according to the Reclamation Plan, there should not be any reason for long term care.












Reclamation Plan Attachments;
Diagram #1 CARNOTIE WEST Mine Site Plan
Diagram #4 Slopes after regarding





Photograph plate #2;
Photograph #4 showing the dry wash, areas #1 and #2
Photograph #5 showing an overview of the mine site
Photograph #6 showing the #5 waste rock dump as it presently exists.

Carnotite West Mine

Scale 1"=50'

Mine Site Plan

-  Dry Wash
-  Existing Road
-  Explosive Magazine
-  Fuel Tank & Containment Pond
-  Ventilation Fan
-  Generator
-  Compressor
-  Water Trailer
-  Office and Change Trailers
-  Portable Toilet
-  Waste Water Trailer

-  Waste Dump with established vegetation - no re grading area
-  Existing waste Dumps
-  Area for permanent waste Rock storage - sloped and revegetated area
-  Route of Waste Rock from Mine

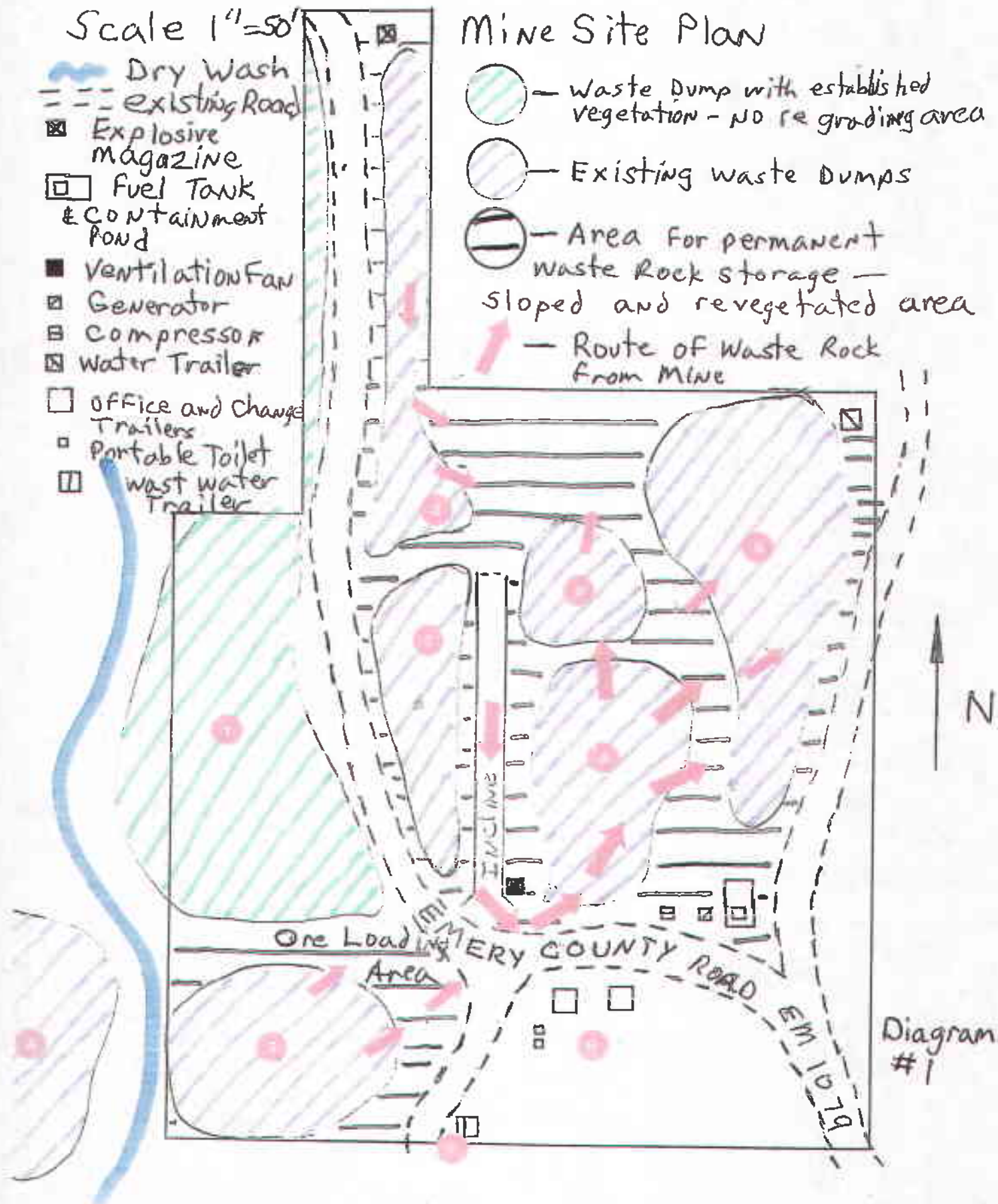


Diagram #1

Carnotite West U Mine Slopes after Reclamation

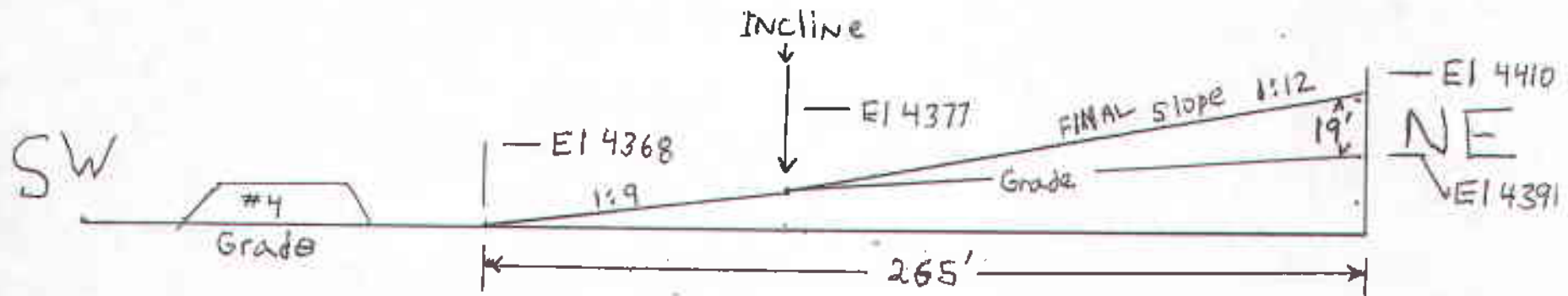
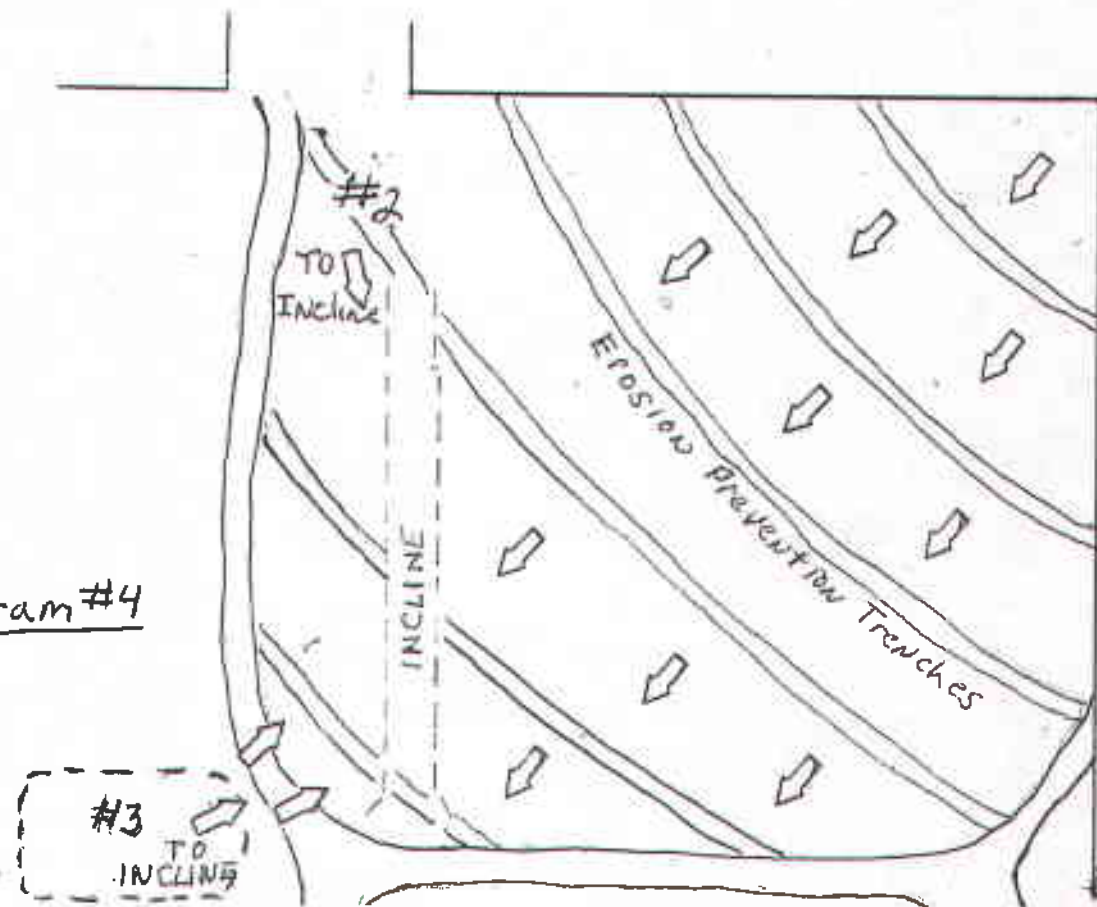


Diagram #4



Reclamation Plan
Photograph Plate #2



CH/20

Permanent Waste Rock Dump Site #5



6

CARNOTITE WEST URANIUM MINE:

4.3.2.4 MONITORING PLANS;

Resources to monitor;

- 1a. – There are no sources of surface or ground water to monitor on this mine site.
- 1b. – A two acre properly reclaimed and vegetated mine site cannot possibly measurably affect air quality.
- 1c. – A two acre properly reclaimed mine site cannot possibly measurably affect meteorological conditions.
- 1d. – Revegetation condition can be monitored visually by BLM employees whenever they happen to be in the area. I was raised and lived in Green River for most of my life. I have reason to occasionally travel through the Buckhorn Draw and when I do a visual inspection of vegetation on the mine site will be made.
- 1e. – Noise levels, if a tumble weed rolls across the desert and no one is there does it make a noise? There will be no noises on this reclaimed mine site to monitor.
- 1f. – Slope movement when the incline has been permanently sealed and the #5 permanent waste rock dump sloped over it at a very shallow 1:12 slope there will be little possibility for slope movement. Signs of slope movement can be monitored visually by BLM employees whenever they happen to be in the area. I have reason to occasionally travel through the Buckhorn Draw and when I do a visual inspection of the mine site for signs of slope movement will be made.
- 1g. – Wildlife mortality can be monitored visually by BLM employees whenever they happen to be in the area. I have reason to occasionally travel through the Buckhorn Draw and when I do a visual inspection of the mine site for dead animals will be made. As has been previously stated, there have been very few sightings of wildlife on the mine site, the Uranium that is in the mine dump does not present a mortal hazard to wildlife.

Type and Location of Monitoring Devices;

No monitoring devices will be needed.

Sampling Parameters and Frequency;

I know of nothing that needs to be sampled on this reclaimed mine site.

Analytical Methods;

If no samples are needed, then there will be no analytical methods involved.

Reporting Procedures;

If the occasional visual inspections reveal a problem or abnormal situation the procedure will be to inform the Price Area office of the BLM this will be done by one of the following methods;

- 1a. – In person at the BLM Price area office located in Price, Utah located at 125 S. 600W.
- 1b. – By phone at 1-435-636-3460
- 1c. – By mail at BLM Price Area Field Office, 125S. 600W. Price, UT 84501

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Response Actions to Adverse Monitoring Results;

1a. - If the adverse visual monitoring involving the vegetation on the site occurs in the first year after the revegetation it would most likely be in the form of the failure of the seeds to germinate and sprout. In that case Carnotite LLC would have to get with the seed supplier to determine if their seeds were responsible for the lack of germination, in which case Carnotite LLC would reseed the area. If the adverse condition was the result of other conditions such as birds, rodents or insects eating the seed, or if it was a failure of enough moisture in the form of rain or snow in the San Rafael Desert to germinate the seeds, or if the global temperature rises to crisis levels, those would be acts of God and Carnotite would not be responsible to revegetate the mine site. After the first year following the revegetation of the site and if the seeds have sprouted and grown the plants survival is beyond the control of Carnotite LLC. Besides the birds, rodents, insects, lack of moisture and intense temperatures, there is cattle grazing, 4-wheel drive and ATV use and range fires that can negatively affect vegetation in the area of the mine site.

This is a wild and harsh environment for any plant and even crops in well tended and irrigated farm fields are prone to failure. For the BLM to hold Carnotite responsible for perpetual vegetation in an uncontrolled desert environment is beyond reason and legal culpability.

1b. - If the adverse visual monitoring result was in the form of slope movement we would take immediate action to reverse the problem. The final slope of the #5 waste rock dump will be a gentle 1:12 or less, and will be further protected from erosion or movement by contour trenches, erosion prevention strips and the vegetation grown on the site. These features should eliminate the possibility of slope movement. Any minor slope movement could easily be corrected with a small loader in a few hour of work. A more serious condition would be a partial collapse of the backfill material in the area of the incline. We at Carnotite LLC believe that the procedures in the Reclamation Plan will prevent such an occurrence. We are however aware of the collapse of the abandoned and unprotected mine incline just down the hill from us. I was the one that notified everyone about that. The conditions there were a blueprint for failure. The incline was right next to and below the level of the wash. The only surprising thing about the incident was that it didn't happen 60 years ago and drown a bunch of miners. The situation at our mine site is quite different, the incline is 9 feet higher than the dry wash and separated from it by 50 feet and the 4 foot high waste rock fill in the #1 area to the west. The incline will be sealed with a heavy cemented rock wall which will prevent a rush of water from eroding the backfill. It is further backfilled with twenty feet of compacted fill. Should a washout somehow occur, it would most certainly be the result of the 1,000 year thunderstorm event. As stated above such an occurrence would be met with an immediate response by Carnotite LLC to fill the void and take any measures needed to prevent further erosion of the site.

Reliance on other Federal or State Monitoring Programs;

We will have no need for other monitoring programs on this reclaimed mine site.

CARNOTITE WEST MINING PLAN REQUEST FOR VARIANCE

This is a request for variance from the reclamation procedures under item 4.3.2.3 of the Reclamation Plan, Soil Handling Plans and Revegetation Plans. Specifically the requirement to strip topsoil from the site to later be used to cover waste rock dumps prior to revegetation. Carnotite LLC, the owner of the Carnotite West mine has long maintained that since the proposed two acre mine site (see attached mine site diagram #1) is completely covered with existing layers and piles of waste rock from past mining activities and is surrounded by geological formations composed of solid sandstone or thick clay, that there is absolutely no locally available topsoil to use for the purpose of revegetation. In addition, we claim that vegetation of the same type, variety and abundance as that which exists on the surrounding natural geological formations has become established voluntarily on the exiting waste rock dumps. Therefore the waste rock dumps are just as fertile as any locally available material for the purpose of revegetation of the mine site.

Carnotite LLC has posted this same request for variance with our UDOGM Notice of Intent approval of which is pending. In October of 2008 Carnotite LLC requested an onsite meeting with Mr. Paul Baker of UDOGM to discuss these two issues and to see firsthand that what we claim is true. At Mr. Bakers' request, Mr. Chris Conrad of the BLM Price Area office was also in attendance at the onsite meeting. We walked over the small (2 acre) mine site, visually examining the waste rock dumps and vegetation on the site and surrounding areas. I pointed out to the two government representatives how thoroughly covered with existing waste rock materials and waste dumps the site was. That the vegetation on the waste rock was equal to any on the surrounding undisturbed areas should have been apparent to both of them.

With this Request for Variance I have enclosed five photographs of the mine site area as visual evidence to support our claims. These photographs are also included in the Reclamation Plan. Photo #1 is of an existing waste rock dump located on the mine site, it shows grasses shrubs and forbs growing on the dump material. Photo #2 shows another view of the same waste dump with large well established bushes on it. Photo #3 shows an adjacent hillside of the Brushy Basin member of the Morrison formation. Notice the complete lack of vegetation, which demonstrates how unsuitable the clay material would be as a planting medium. The vegetation in the foreground is growing on the waste rock material.

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Photo #4 shows the small well vegetated dry wash on the left. The waste rock material in the right foreground and in the center of the photograph has been voluntarily vegetated with grass and brush. This is waste rock area #1 as shown on the mine site diagram. Besides being the East bank of the dry wash it is also forms the road base for the Emery County road that goes past our proposed explosive magazine site and exits the property to the North past the Brushy Basin hillside from photo #3. The last photo #20 shows the SW corner of our 8 Ball #3 mining claim on which the mine site is located. It also shows the barren sandstone outcropping of the Salt Wash member of the Morrison formation in which the Uranium ore occurs. It is very apparent that no top soil will be found there.

The evidence shown in these photographs clearly show that there is no topsoil on or near the mine site and that the vegetation on waste rock material is equal to that on the surrounding natural geological formations. We see no reasonable alternatives other than to place the seeds directly on the reclaimed waste rock dump material and therefore the BLM should approve this Request for Variance.

Carnotite West Mine

Scale 1"=50'

Mine Site Plan

- Dry Wash
- Existing Road
- Explosive Magazine
- Fuel Tank & Containment Pond
- Ventilation Fan
- Generator
- Compressor
- Water Trailer
- Office and Change Trailers
- Portable Toilet
- Waste Water Trailer

- Waste Dump with established vegetation - no re grading area
- Existing waste dumps
- Area For permanent waste Rock storage - sloped and revegetated area
- Route of Waste Rock from Mine

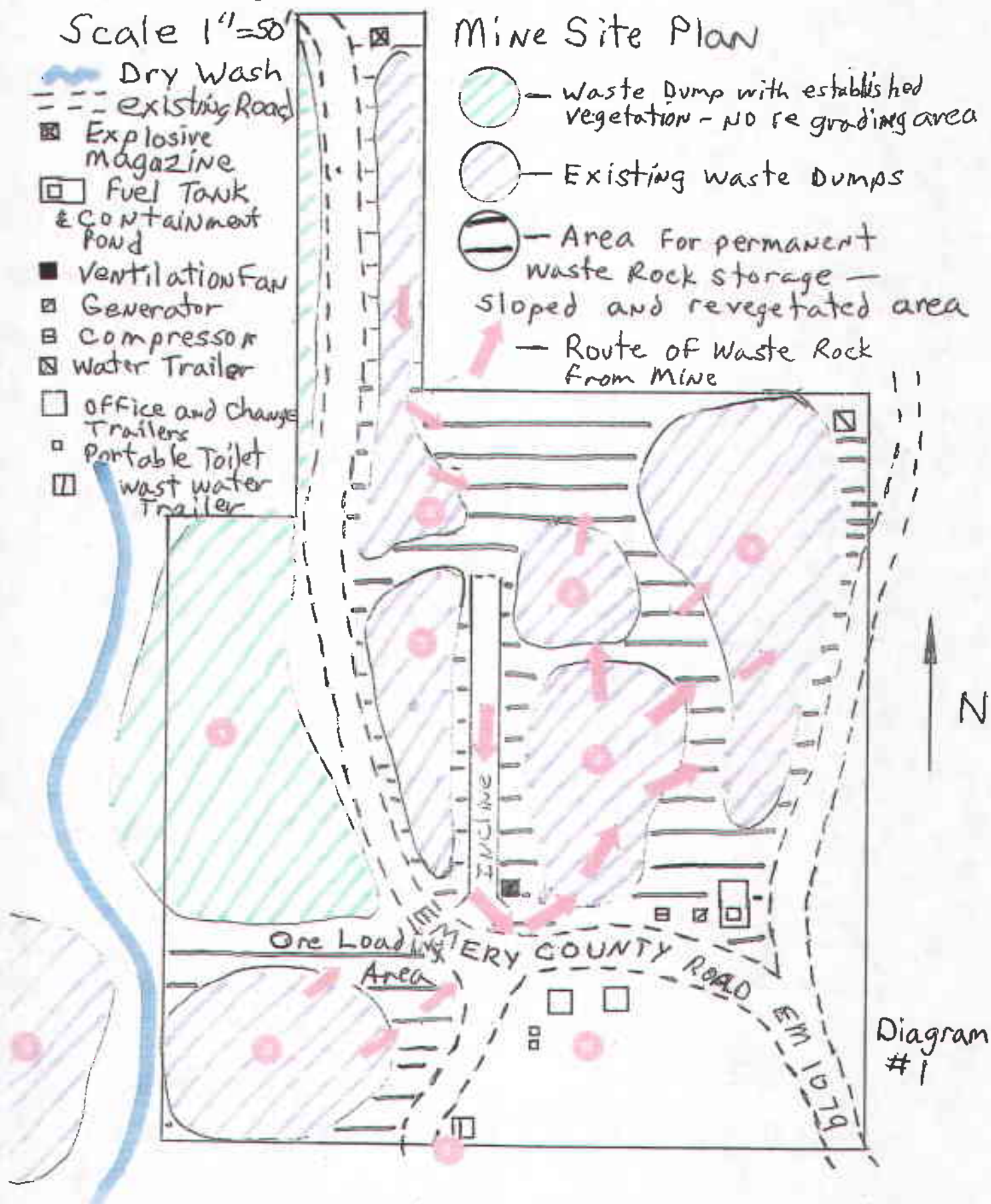


Diagram #1

#1



#2



#3



#14

#15

]

WASTE ROCK DUMP #1

EMERY COUNTY ROAD

#4



VOLUNTEER VEGETATION

